

# THE AMERICAN REVIEW OF REVIEWS

EDITED BY ALBERT SHAW

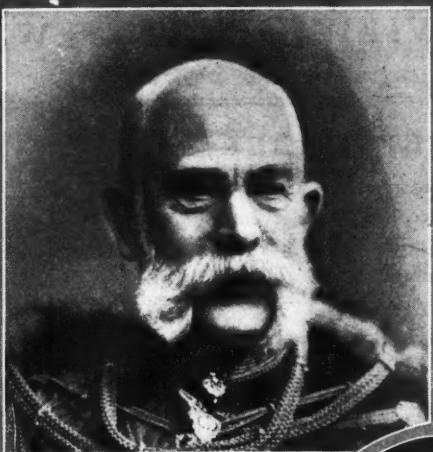
## CONTENTS FOR SEPTEMBER, 1914

The Heads of the Warring European Nations <i>Frontispiece</i>	Record of Events in the War.....	291
<b>The Progress of the World—</b>	Record of Other Events.....	293
How Governments May Ruin Peoples.....	Warlike Europe in Pictures.....	295
A War Without Cause or Object.....	<b>Europe at War</b> .....	303
But With Historical Explanations.....	BY LOUIS E. VAN NORMAN <i>With maps</i>	
The Unhealed Trouble Between Germany and France.....	How Europe's Armies Take the Field.....	309
What Germany Has Had to Endure.....	BY T. LOTHROP STODDARD <i>With illustrations</i>	
"The Two Germanys".....	Europe's Preparation for War Expenses .....	322
The Military Caste .....	BY CHARLES F. SPEARE	
Did Germany Intend This War?.....	American Finance in the War Tempest.....	325
Italy's Unforeseen Halt.....	BY CHARLES A. CONANT	
England's Firm Response.....	<b>The War and Our Ocean Trade</b> .....	329
Belgium's Position and Rights.....	BY WINTHROP L. MARVIN	
America and the Germans.....	<b>The Two Germanys</b> .....	334
American Doctrines Not Outworn.....	BY OSWALD GARRISON VILLARD	
Western Liberalism .....	Volcanic Activities on the Pacific Coast.....	337
Will the War Be Long or Short?.....	BY GUY ELLIOTT MITCHELL <i>With maps and other illustrations</i>	
Japan's Aggressive Steps.....	<b>The Rate Decision</b> .....	345
American Interests in the Pacific.....	BY HARRINGTON EMERSON	
Canada's Position .....	<b>The World's Opinion on the War—</b>	
Can We Gain by Europe's Calamity?.....	Teuton Against Slav.....	349
As to Our Merchant Marine.....	The Case for Germany.....	350
Congress Becomes Reconciled.....	Germany's Critics .....	353
President Wilson in Critical Times.....	Roosevelt on American Policy.....	355
Noteworthy Appointments .....	Europe's Unnatural Political Geography ..	356
The Reserve Board at Work.....	Fighting for a New Map of Europe.....	358
The Elections and the World Crisis.....	<i>With portrait, cartoon, and maps</i>	
Carranza Enters Mexico City.....	<b>Leading Articles of the Month—</b>	
The Rate Decision at Last.....	Jean Jaurès, the Foremost French Socialist .....	359
An Efficiency Engineer's Conception of Railroading .....	"Atlantis" Once More.....	361
The Stock Exchange Closes.....	Albania the Picturesque.....	363
War Effects on Commodity Prices.....	Heliotherapy: Miracles Wrought by Sun- shine .....	365
War Taxes Close at Hand.....	The Vocal Music of Monkeys.....	367
The Story of the War.....	The Food Value of Fruits.....	368
Austria's Descent on Servia.....	Seven Centuries of the Post-Office in Europe ..	370
Russia "Backs" the Serbs.....	A Mexican View of Uncle Sam.....	371
Germany Declares War on Russia.....	The Mexican Drama as Reviewed by the Mexican Press .....	372
And Against France .....	Mexico's Land Problem.....	373
Germany's Violation of Neutrality.....	If You Were a Chinaman.....	374
Britain Declares War on Germany.....	<i>With portrait, map, and other illustrations</i>	
Italy's Uncertain Neutrality .....	<b>Helpful Books on the Crisis in Europe</b> .....	375
Germany Long Ready .....	Some Noteworthy Books of the Month.....	379
Germans Occupy Luxemburg and Belgium .....	Financial News for the Investor.....	382
The Splendid Belgian Defense.....		
The Germans Battle with the Allies.....		
French Invasion of Alsace.....		
The Russian Advance Westward.....		
The War on the Water.....		
Russia's Promises to the Poles.....		
Death of Pope Pius X.....		
<i>With portraits, cartoons, and other illustrations</i>		
<b>War Documents and Claims</b> .....		

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FRANZ-JOSEPH, OF AUSTRIA



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THE CZAR OF RUSSIA



ALBERT, OF BELGIUM



PETER, OF SERVIA

WILLIAM II,  
THE GERMAN EMPEROR



GEORGE V, OF ENGLAND



PRESIDENT POINCARÉ, OF FRANCE

THE HEADS OF THE WARRING EUROPEAN NATIONS

# THE AMERICAN REVIEW OF REVIEWS

VOL. L

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No. 3

## THE PROGRESS OF THE WORLD

*How Governments May Ruin Peoples*

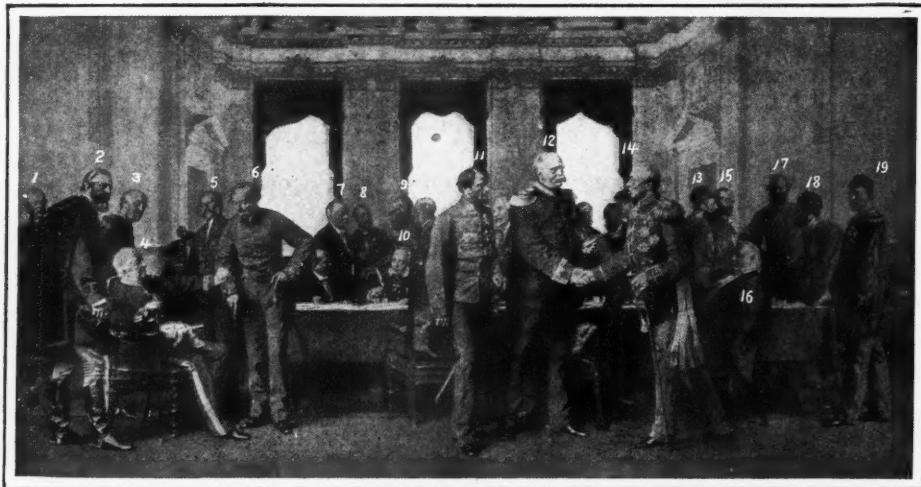
There are no words in which upon. But the situation for a number of years had been going steadily from bad to worse, until now the costly armaments that nations have built up with the supposed object of protecting them in their hour of need, have been brought into action for reasons that are indirect rather than obvious, and for causes and purposes that no two men can state exactly alike, because they are not definite.

*But With Historical Explanations*

There are historical explanations of it that involve nearly everything that has happened in Europe for more than a hundred years. The immediate clash came in the Balkans, and was precipitated by Austria. A long train of evil consequences has followed upon the interference of the other European powers in the settlement of affairs between Russia and Turkey after the war of 1877, in which the Russians were victorious. The Congress of Berlin of 1878 was dominated by Prince Bismarck, representing the new German Empire; Disraeli (Lord Beaconsfield), representing Great Britain, and Count Andrássy, representing Austria. The arrangements that Russia and Turkey had agreed upon in March, by the treaty of San Stefano, were far wiser than those imposed in June by the other powers. It was Austria that had taken the initiative in the calling of the Berlin Congress. Russia and Turkey had agreed upon a large Bulgaria and upon an enlarged and independent Servia. Austria wished to have as much as possible of this Christian territory of Southeastern Europe kept under the nominal authority of Turkey, for two manifest reasons. First, Austria feared Russia's influence with the new countries of Servia, Bulgaria, Montenegro, and Rumania. Second, Austria wished to have as much as possible of all this territory remain Turkish, in order that she herself might wait for fu-

*A War Without Cause or Object*

It would not be just to say that the civil and military powers of the great countries of Europe have intentionally brought harm to their people. But they are not fitted for their responsibilities. Modern humanity demands appropriate public ideals in government policy and action. The real enemies of the European millions are not the peace-loving farmers and industrial workers of neighbor countries, but the false views and methods of their own governments and dominating classes. It had been hoped by real statesmen, as well as by humanitarians, that such opportunities for discussion as might be afforded by recurring peace conferences at The Hague would help to postpone the danger of a general war until means for fully possible of all this territory remain Turkish, averting it could be devised and agreed in order that she herself might wait for fu-



THE SIGNING OF THE FAMOUS TREATY OF BERLIN, JULY 13, 1878

(From Anton von Werner's painting of the Congress which sat in Bismarck's palace in Berlin from June 13 to July 13, 1878. Delegates were present from Great Britain, Russia, Germany, Austria-Hungary, France, Italy, and Turkey. Names of the delegates appear below, the actual signers of the treaty in italics)

1, Baron Haymerle; 2, Count Karolyi; 3, Count de Launay; 4, *Prince Gortschakov*; 5, *M. Waddington*; 6, *Lord Beaconsfield*; 7, Prince Hohenlohe, *Count Corti*; 9, Count de St. Vallier; 10, Baron d'Oburl; 11, *Count Andrássy*; 12, *Prince Bismarck*; 13, Sadoullah Bey; 14, Count Shuvatov; 15, Lord Russell; 16, General von Bülow; 17, *Lord Salisbury*; 18, *Karatheodori Pasha*; 19, Mehmet Ali Pasha.

ture opportunities to obtain parts or the whole of it for herself.

*Bosnia and its Seizure by Austria* One of the articles of the agreement adopted by the Berlin Congress of 1878 turned Bosnia and Herzegovina over to Austria for purposes of temporary occupation and management. While it is to be conceded that Austria managed Bosnia very well, no one can deny that her position in Bosnia was that of a trustee and not that of an owner. The people of Bosnia are very closely related by blood, language, and sympathy to those of Servia. Bosnia, also, lies between Servia and the sea. It was natural that the Servians should look forward to a future union with Bosnia and to an outlet on the Adriatic. But after Russia's humiliation and defeat at the hands of the Japanese, which had lessened her prestige in Europe, and after the successes of the Young Turks in reforming the government of their country and the prospect that they might demand the evacuation of Bosnia by Austria, the government at Vienna decided that the time had come to announce annexation.

Accordingly, in October, 1908, *Albania as an Austrian Pretext* the powers that had engaged in the Berlin treaty were informed by the Austrian Emperor that Austria had decided, for her own reasons, to make Bos-

The bitterness of the Servians knew no bounds. Both Servia and Greece demanded of Bulgaria that, in view of changed circumstances, she should give them portions of what had

been originally assigned to her. Bulgaria June 28, of the Archduke Franz Ferdinand, stood on technical rights, and found herself heir to the imperial throne of Austria-Hungary at war with her recent allies, greatly to her gary, who had gradually become actual joint loss and disadvantage. This second little ruler with the aged Emperor Franz Joseph war of last year, in which the small powers, (who was eighty-four on August 18).

amply entitled to the world's sympathy, were pitted harmfully against each other, was due to Austria's policy, which to many of us seems malign and wrong, while to the most charitable mind it must seem at least to have been mistaken and unwise. Although Servia almost doubled her area by gains to the southward, she remained a land-locked country, with Bosnia, Montenegro, and Albania stretching between her and the Adriatic Sea. Last month, in many pages, this REVIEW explained the situation in Austria and Servia from the standpoint of events that were centering about and threatening to follow the assassination in Bosnia, on

*Austria Forcing  
a General  
Conflict*

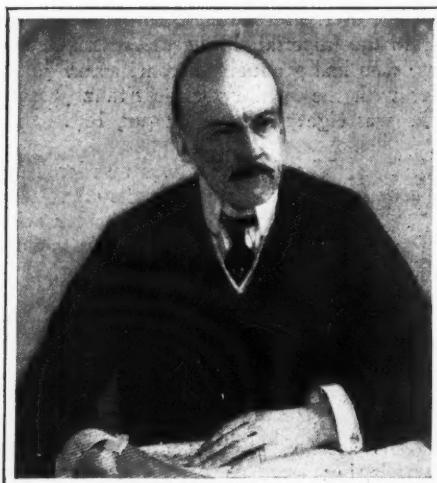
The Archduke was murdered by a young Servian fanatic. In later pages of this number will be found in more detail the startling sequel. Suffice it to say here in a sentence that Austria, for reasons of her own, determined to hold the government and people of Servia responsible for the murder, and on July 23 an ultimatum was presented by the Vienna government to the government at Belgrade, with demand of immediate acceptance. The Servians acceded to most of the Austrian demands, but asked either further discussion or else arbitration on some points that could not be admitted without question. Austria made this Servian answer the pretext for an immediate declaration of war and a move upon Belgrade. There seems to be sufficient reason for stating the belief that Germany had been informed, both in general and in detail, of the Austrian demands, and had approved of them, although fully aware that this must mean a protest from Russia, which, if disregarded, would compel Russia to come to the aid of a small state with which her relations were close, and which she could not permit to be destroyed.



THIS OUTLINE WILL AID THE READER TO SEE HOW AUSTRIA HAS RESTRICTED SERVIA, FIRST BY ABSORBING BOSNIA AND HERZEGOVINA, THEN BY CREATING THE NEW KINGDOM OF ALBANIA. THE MAP SHOWS THE BALKAN STATES AS THEY WERE BEFORE THE RECENT WARS, AND AS THEY ARE NOW WITH THE TERRITORIES THAT HAVE BEEN ACQUIRED AND ADDED TO SERVIA, BULGARIA, GREECE, AND RUMANIA

*Crimes Against  
the Balkan  
Christians*

Thus it seems reasonable to hold that if there had been a decent respect for the commendable desire of the Christian peoples in European Turkey to throw off the Turkish yoke and become self-governing states, there could have been no cause of the present great war in so far as the Servian question precipitated it. If the great powers of Europe had been sincere and unselfish in their attitude towards the Balkan question,



COUNT LEOPOLD BERCHTOLD, AUSTRO-HUNGARIAN  
MINISTER OF FOREIGN AFFAIRS

during the past two generations, there could have been developed a series of peaceful and progressive countries as harmless and non-military in their instincts as Switzerland, Holland, and Denmark. And the proper development of Servia, Bulgaria, and Greece would have been in every way advantageous to all the great powers of Europe and detrimental to the welfare of none. Out of this terrible war, therefore, let us earnestly hope there



Photograph by the American Press Association, New York  
N. P. PASHITCH, SERVIAN PRIME MINISTER AND  
MINISTER OF FOREIGN AFFAIRS

may come an adjustment of the affairs of Southeastern Europe that will be permanent and non-military. The imperial agglomeration of Austria-Hungary seems to serve no good purpose. A rearrangement of provinces and regions, based largely upon race and language, might create in Southeastern Europe almost a dozen small countries of fixed territory, bound together in a league of peace and arbitration and of general friendship, but not forming a military factor for further aggressions.



Photograph by the American Press Association, New York  
SAZONOV, RUSSIAN MINISTER OF FOREIGN  
AFFAIRS

*The Unhealed Trouble Between Germany and France* A wise treatment, then, of the Balkan problem would have averted the present war. But it would not have ended the overweening curse of militarism, nor removed the distrust and fear upon which militarism feeds and which it naturally promotes. The beginning of the end of European militarism should have come about with a good understanding between Germany and France. Such an understanding would have been arrived at many years ago, if Germany had been wise enough to reopen the Alsace-Lorraine question in the spirit of generosity and at the same time of simple common sense. Everybody who is wise has known this; but pride and arrogance too often blind

nations, even as they blind individuals, so that they miss the plain path of wisdom and safety. Almost twenty years ago (in the issue for December, 1894), this REVIEW published a remarkable article entitled "On the Threshold of Universal Peace—An American Answer to the Question How to Reconcile France and Germany." It discussed this topic of the "lost provinces." The article was printed anonymously, but it may be stated that the author was a native of Germany, though a naturalized American citizen.

*Just  
Twenty Years  
Ago*

There had been held in August, 1894, just twenty years ago, a peace congress at Antwerp.

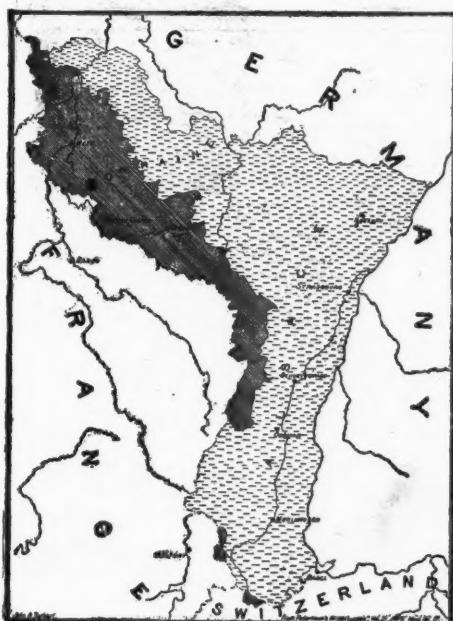
There was much enthusiasm. Germany and Russia had negotiated the very important commercial treaty which only this year,—after twenty years of growing value to Germany,—the Russians have refused to extend. At that moment the young German Emperor had shown marked courtesies toward France, and these had met with appreciation. There had just been favorable action by the United States Senate and the British authorities on a proposed treaty of arbitration. This conference, meeting on the neutral soil of



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GEN. HELMUTH JOHANNES LUDWIG VON MOLTKE,  
PRESENT CHIEF OF THE GENERAL STAFF OF THE  
GERMAN ARMY

(This officer is a nephew of the man who held the same position in the Franco-Prussian War, and typifies the militarism that has intensified the French feeling in Alsace-Lorraine)



THIS MAP APPEARED IN THE "REVIEW OF REVIEWS" TWENTY YEARS AGO, TO ILLUSTRATE A POSSIBLE DIVISION OF LORRAINE AND ALSACE, THE HEAVILY SHADED PART BEING OCCUPIED WHOLLY BY FRENCH-SPEAKING PEOPLE

Belgium, was in a hopeful mood, rightly expressed by the mayor of Antwerp, who declared: "Peace is in the hearts of all men in civilized countries." A number of proposals were made at this conference, having to do with reduction of term of military service, limitation of armaments, curtailment of war expenditure, and so on. The writer of our article, however, demonstrated brilliantly and convincingly that universal peace could at that time be assured only in one way,—namely, by an offer on the part of the German Emperor to rearrange the boundary line in Alsace-Lorraine in such a manner that the French-speaking communities should be ceded back to France.

*The Solution  
and Its Merits*

He declared, and with good reason, that such a proposal, if properly set before the German people, would have been accepted by them with enthusiasm. The details of the adjustment would naturally have been made by a joint commission. Both sides could have afforded to be wholly generous in such details, because the large point to be gained,—that of permanent good-will between two great nations,—was of incomparable import-



COUNT HELMUTH KARL BERNHARD VON MOLTKE,  
CHIEF OF THE GENERAL STAFF IN THE BISMARCK  
PERIOD

(It was on his advice that Bismarck annexed the  
territory containing Metz)

tance, while the mere details of the boundary line were in themselves of little significance to either country. A right settlement of this question would have made it possible and reasonable to dismantle every fortification along the frontier between France and Germany, and to enter upon a permanent arbitration treaty, such as England and the United States were at that time negotiating. At the time of this Antwerp peace conference, Germany had held the conquered strip of territory about twenty-three years. Exactly twenty years more have elapsed since then. If anything, the French sentiment has grown stronger rather than weaker in the French part of Alsace-Lorraine, and the whole French nation has unitedly, and without wavering, clung to the purpose at some time to rectify that frontier.

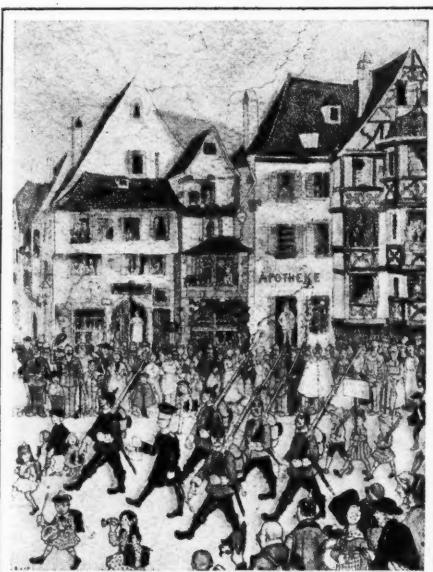
*A Mistake Perpetuated*

It is said that Bismarck never desired to annex more than the parts that were German-speaking. But the German generals desired Metz for what they called strategic purposes. Unfortunately, professional soldiers never seem to understand that in the permanent sense friendship is the only strategical sys-

tem that can be supported. The settlement of this vexed question some years ago would have redounded to the fame, glory, security, and prosperity of modern Germany. It would have made friends of Germany and France, would have promoted all the finer things of industry, commerce, art, science, and culture, and would have made military alliances unnecessary. France could have disarmed, at least in large measure; and the sentiment of western and middle Europe could have laid down the law to Russia and Austria in regard to the right settlement of the problems of southeastern Europe. It is needless to expatiate at great length upon what might have been. Yet it must be said that there have been many occasions, since the favorable moment of 1894, when Germany might have taken up this question with France in an open-minded way, and so adjusted it as to save the peace of Europe for generations to come. In neglecting it, Germany has chiefly wronged herself.

*What Germany Has Had to Endure*

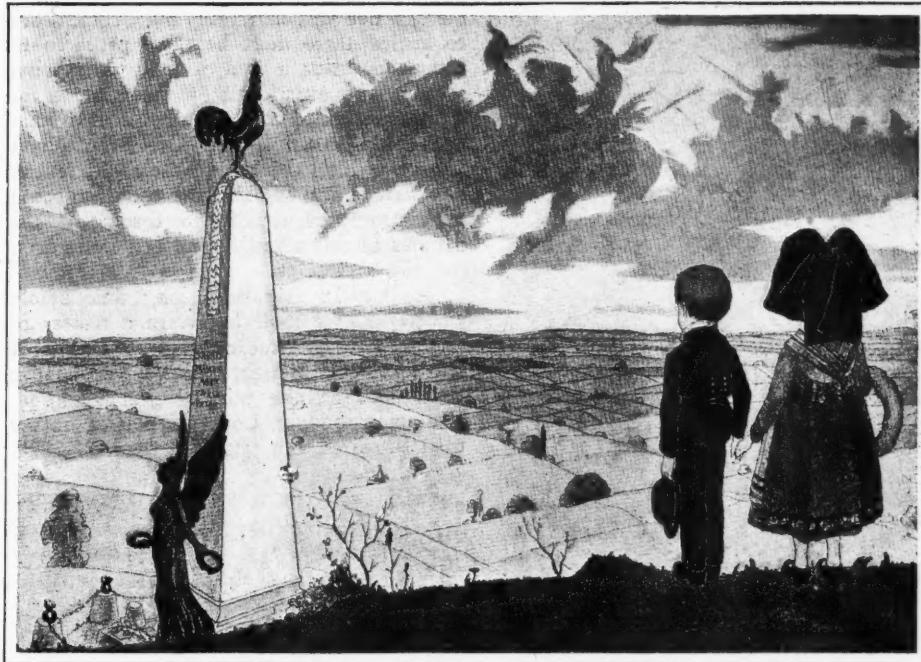
The cost of maintaining the feud over Alsace-Lorraine has been almost unbearable for both countries. It has been greatly to the credit of Germany that, with all this economic and moral burden of militarism, she has made



THE LAST PAGE OF THE HISTORY OF ALSACE

(This drawing, showing the German troops marching out of Alsace, is from the unpublished work of Jacob Waltz, an Alsatian writer and artist, better known as "Hansi." See another example from the same source on the opposite page)

From the *Graphic* (London)



THE DARK CLOUDS OF GERMAN UHLANS HOVERING OVER ALSACE

(The mild pleasantries of these pictures by "Hansi" (see the one on the preceding page) seems innocent enough to American eyes; but to evoke even a smile at the expense of the army is a serious matter in Germany,—as witness the recent Zabern incident,—and "Hansi" is now under sentence of a year's imprisonment because of such pictures, charged with "preparing an act of high treason." "Hansi," however, has not yet begun his sentence,—choosing rather to remain on French soil!)

From the *Graphic* (London)

such notable progress in the arts of peace during the period since the formation of the present empire, after the victory over France. In spite of a large migration of German people to the United States and other countries, the home population has steadily increased, until it is now 65,000,000, whereas it was about 40,000,000 at the time of the Franco-Prussian War. France at that time had, about the same population, and it has remained virtually at a standstill. The condition of the plain German people has much improved. They are better educated and have better opportunities to make a living. From having little manufacturing, Germany has developed vast industries, based largely upon superior scientific and technical training. The cities and towns are beautiful and well governed. Through public savings-banks, and careful systems for giving aid to the sick and the poor, and for pensioning the injured and the aged, Germany has led the world in dealing with the problem of caring for all the people in our new industrial age. Science and philosophy, literature and art, have flourished in Germany, even

as industry and commerce have made giant strides. All honor to German brains and effort.

Elsewhere in this number is an article entitled "The Two Germanys," written at our request by Mr. Oswald Garrison Villard, of the New York *Evening Post*. Mr. Villard's father was a distinguished German-American whose associations were intimate with the late Carl Schurz and many other Americans of German ancestry. In this article one finds the clear distinction drawn between imperial and military Germany, on the one hand, and the Germany of science and industry on the other. America has much in common with the great German nation, but has little in common with the military caste and the imperial attitude. The German peasant is doubtless in many ways improved by the training of his compulsory two years of service (beginning at the age of twenty). But he goes back to spend his life as a peaceable citizen and worker, though he remains for years afterwards a member of the reserves.



THE LORELEI

"And this, with her wild, sweet singing,  
The Lorelei has done."

From the *American* (Baltimore)

*The Military Caste*  
It is not this universal training to defend the country that creates German militarism. It is the enormous body of officers, with whom the army is a life profession, and whose ideals and attitude towards the nation are not those that are in keeping with the intelligent aims of human society in the twentieth century. These officers constitute a military caste that is associated with the surviving institutions of autocracy and feudalism that have come down from bygone centuries. The profession of a trained sol-

dier is not dishonorable; and if men are to be led there must be those prepared to command. But it is a calamity when civil society is so overridden by the insolence of a military guild as that of Germany has been for a long time past. If Germany and France could have settled their differences, and become firm friends, both countries could have proceeded rapidly to throw off the incubus of this offensive and evil militarism.

*Did Germany Intend This War?*  
It may be a long time before we shall know, as a matter of historical certainty, whether or not Germany brought on the war at this time with definite purpose and intention. We once thought Louis Napoleon, rather than Bismarck, brought on the war of 1870.



THE CALL OF MARS

From the *Herald* (Chicago)



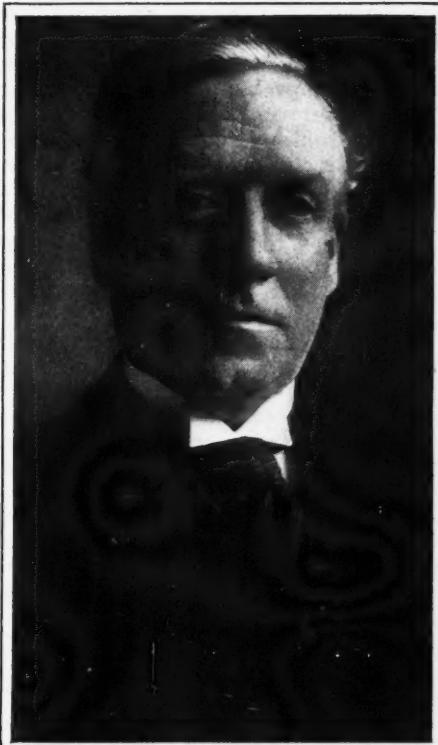
"YOU ARE RESPONSIBLE FOR THIS"  
From the *Oregonian* (Portland)

No one, of course, supposes that the German Emperor and those in his councils have this year deliberately sought war rather than peace. But the minds of men often become obsessed through the constant dwelling upon a subject of fear or dread, with the element of suspense involved. The strain between Germany and Russia had been growing greater for a good while. The German authorities had felt that a war with Russia was inevitable at some time. The assassination of a great Teutonic monarch (for the Archduke was virtually a sharer of the throne) seemed to create an occasion that gave Germany the opportunity to fight,

without having herself directly precipitated the conflict. Austria's attack upon Serbia was sure to involve Russia. Germany was bound by her alliance to come to Austria's aid. This, in the German theory, would of necessity bring Italy into the combat as the third member of the Triple Alliance. For Germany seemed to suppose that the world would regard her action as defensive, in view of Russia's alleged movements of aggression.

*Italy's Unforeseen Halt*

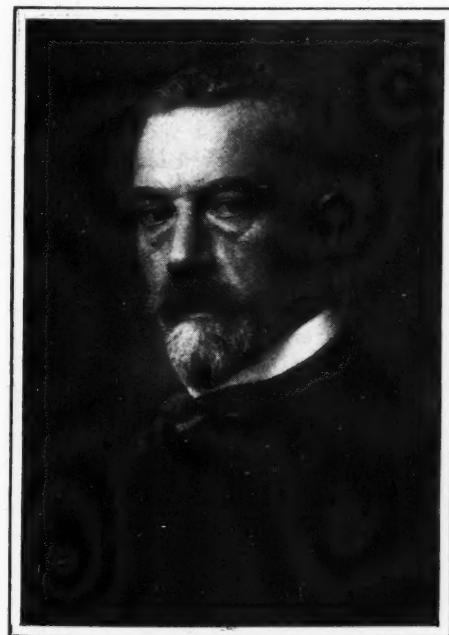
Italy, however, refused to take this view, and declined to aid Austria in an aggressive Balkan campaign, regarding herself as justified in remaining neutral under the terms of the alliance. The truth, of course, is that Italy had never been very happy in this association, and had gone into it through a supposed necessity that, if it ever really existed, has now for some time been outlived. Italy as a purely Mediterranean power, has no sympathy with Austria's ambition, and has every need of being on good terms with England and France, which are the great naval powers of the Mediterranean, and which could readily destroy Italy in the maritime sense. Thus Germany seems to have miscalculated as respects Italian coöperation.



HERBERT HENRY ASQUITH, BRITISH PRIME MINISTER, WHOSE ATTITUDE HAS GAINED THE SUPPORT OF AN ALMOST UNANIMOUS PUBLIC OPINION, AND HAS BROUGHT ALL FACTIONS AND ELEMENTS TO THE SUPPORT OF THE GOVERNMENT AND THE BRITISH FLAG

*England's Firm Response*

It is already well known that Germany made overtures to England, and did not suppose that the British Government would be drawn into the conflict. But for a good many years the interests of Great Britain and France have been harmonious, and the good understanding had developed into something like a limited alliance. England might, indeed, have kept out of the war on certain conditions. One of these conditions was the promise not to attack the coasts of France that lie near England. Germany was prepared to respect this demand. Without consulting England, however, Germany proceeded with a plan to invade France by way of Belgium. As long ago as 1831 the status of Belgium was fixed in an international conference which resulted in the guaranteeing of that little country's independence and neutrality. Germany's violation of Belgium's position was not only wicked and ruthless, but it was an act of blind folly.



DR. VON BETHMANN-HOLLWEG, CHANCELLOR OF THE GERMAN EMPIRE, WHO HAS SHOWN NONE OF BISMARCK'S SKILL IN DEALING WITH INTERNATIONAL PROBLEMS

The German Government seems to have towards the United States, who had been supposed that a Liberal government in England, with the Ulster question on its hands, could not be provoked to join in a European war. But there are qualities in British character with which it is dangerous to trifle. Under the lead of the Premier, Mr. Asquith, and the Foreign Secretary, Sir Edward Grey, England notified Germany that she must cease to violate Belgian neutrality. Germany would not yield, and England declared war.

*Belgium's Position and Rights* Germany had nothing to gain by choosing the Belgian route that could have compensated her for the attack of the great British navy upon her maritime resources. Nor was there anything in the German excuse that France would have marched across Belgium if Germany had abstained. The wickedness of Germany's action lay in the fact that her movement into Belgium, even if acquiesced in by the Belgian Government, would have necessitated a corresponding movement from the French side, thus making Belgium the theater of war between two great powers. Nor was Germany well advised in supposing that the Belgians could not or would not resist. The heroic resistance of the Belgians, even though unequal and only temporarily successful, added one more to the list of Germany's enemies and gained time for the allies. Germany's plan had been to move very swiftly and strike at Paris before Russia's slow-moving forces could be brought into action on Germany's eastern frontier. All these occurrences, up to the time of our closing for the press on August 22, are set forth more consecutively in later pages of this REVIEW.

*America and the Germans*

The Franco-Prussian War occurred only five years after the colossal struggle between our American sections had come to an end. Within a few years preceding our war we had received an enormous influx of new population from Germany. Many of these immigrants had received military training before they came. Immigration at that time did not enter the South, and these newcomers were all in the North, St. Louis being the farthest point southward to which they had gone in considerable numbers. Many Germans entered the United States armies and fought valiantly. The head of the French Government in that period was the Emperor Louis Napoleon, who was not well disposed

ready to join other powers in thwarting us, and whose conduct in Mexico was regarded as adverse to our interests. When, therefore, the war came on between France and Prussia, American opinion upon the whole regarded Napoleon as the aggressor, and sympathized with the Germans. Our Government was correct in its neutrality, but popular sympathy was unmistakable in its trend. We have since that time received many more people from Germany. Our total population at the time of the Franco-Prussian War was less than 40,000,000. It is now 100,000,000. Considerably more than a third of our population is made up of people themselves born in Europe or of European-born parentage. And fully twenty-five per cent. of all these people are of German origin. Next come the Irish, who are only about half as many as the Germans. We are using the classification of the United States census, which goes back no farther than the parents in its reckoning of foreign stocks and elements.

*Sympathy Divided* These people from Germany are now our American fellow-citizens. Hundreds of thousands of them, if not millions, have friends or relatives in the old country directly affected by the present terrible war. They are loyal to the United States, but their feelings are deeply affected. Very many of them believe that the German Emperor and those in authority have made a great mistake, and will endorse the views expressed by Mr. Villard in his article to which we have already referred. Many others, under such leaders as Mr. Herman Ridder, editor of the New York *Staats-Zeitung*, are in full sympathy with the German Emperor, and believe that Germany is engaged in a necessary and righteous war. It is not for us Americans to argue with any of our fellow-citizens of foreign origin whose sentiments are profoundly agitated. On the other hand, it is incumbent upon them, as adopted American citizens, to put restraint upon their words and acts, and to respect American neutrality. Germany is so great and noble a country that its future eminence in the civilized world is assured in any case.

*American Doctrines Not Outworn* It is time, however, for all Americans to have a new baptism of faith in the old American creed of liberty and popular self-government. Until recently it was not the fashion in

this country to approve of the institutions that his contrasts are in accord with the of royalty or of privileged aristocracy. But facts. But there are also two Englands, along with the growth of great fortunes in and the struggle between them has been almost continuous for many centuries. It had begun long before Cromwell's time, and it has had intense manifestations in our own day. The fight that has taken away from the House of Lords a great part of its power has been a chapter in this long conflict. The attempt to make taxation just, as against the landed proprietors, is another chapter. The Irish struggle for Home Rule grew fundamentally out of the evils of landlordism and aristocracy, and the recent defiance of Ulster, however locally sincere, found its real strength in the age-long war of the British classes against the masses. The liberalizing of British institutions has, however, gone very far; and the people have ample leverage to carry it farther if they so ordain. Germany's lack of political equality and freedom has not much interfered with social progress and efficiency in many directions; but the time has come for political freedom in Germany, and this war will advance that great cause. There are indications, also, that out of the necessities of the situation there may come about in Russia a series of reforms which the whole civilized world would rejoice to see. Out of one period of struggle came the emancipation of the Russian serfs. Out of another came the Duma and the beginning of parliamentary government. Now has come the announcement

*Western Liberalism* The French are safer as a public than they were as an empire, and they would be still safer if neighboring peoples were also self-governing. Mr. Villard's article refers to the "two Germanys," and it seems to us



THE GAME OF KINGS  
From the *Journal* (New Jersey)



THE RESERVIST  
From the *Journal* (New Jersey)

that Russia means to give Poland a large measure of freedom, and this must be followed by the restoration to Finland of the liberties recently crushed out. It is hoped also that there will follow a complete reform, on Russia's part, in the treatment of her great body of Jewish people; and beyond that there must be a new kind of freedom of speech, of the press, of assembly, of coming and going, of domicile, and of personality.

*American Friendliness* The Government and the people of the United States desire to maintain cordial and good relations with all the countries unfortunately involved in the great war. President Wilson's statements and proclamations have been admirable in spirit and in phrase. Our Government has been prompt in offering its services now or at any future time in the cause of mediation and peace. Our diplomatic service has been extended in the capitals of belligerents to the guardianship of the interests of nations whose own representatives have been obliged to withdraw. Americans visit Europe in such vast numbers every year that it is not strange that the sudden outbreak of almost universal war should have caused much embarrassment and some hardship. In view of the magnitude of the crisis, these American tourists have fared well at the hands of all governments and peoples. Their minor adventures and their occasional lack of a meal have been much exploited in the New York newspapers; merely because, as a matter of fact, the rigid censorship in Europe

for many days allowed us practically no war news; and almost the only kind of communication that the cables could receive had to do with the adventures and experiences of certain well-known Americans, mostly those whose names are of frequent recurrence at all seasons in the sensational press. We have had floods of cablegrams to inform a hundred million waiting Americans that Mrs. So-and-So's baggage was inconveniently delayed in being brought across the English Channel. Surely, in this period of Europe's agony and infinite sacrifice and sorrow, the antics of the self-indulgent American tourist, and his clamorous publicity, supply a touch of that sort of comic anti-climax that always lightens up the fringes of great human tragedy. Of course these allusions do not apply to the great majority of American travelers, who have borne inconvenience well, and have not staged themselves in the news dispatches.

*Will the War  
Be Long or  
Short*

*Will the War  
Be Long or  
Short*

It is probably true that the German leaders expected to find American sympathy definitely on their side. But America wishes peace and harmony, and most Americans believe that the checkmating of Germany would be the quickest and most efficacious way to bring about a lasting peace. Americans feel that England's maintenance of Belgian neutrality was necessary and right. Small powers and homogeneous race elements must be strengthened. German diplomacy seems to have been greatly at fault, while that of England seems to have been more just and praiseworthy. Everyone is asking whether the war will be short or long. It is to be devoutly hoped that it will be brief; but it seems not likely to be an old-fashioned war of concentrated pitched battles. The superiority on the sea of England and the allies will at once have paralyzed German commerce. Germany's colonial empire will be at the mercy of her enemies. Belgium's resistance shows how even a small power can fight on the defensive. It would seem hardly possible now for the armies of one great European power to reach the capital of another. The more quickly mediation and an armistice can be brought into effect, the better it will be for the peoples of all countries and for the cause of future peace. The Franco-Prussian War lasted about six months. The Russo-Japanese War of 1904-05 continued for about sixteen months. But nothing like the present struggle has ever occurred, and predictions are useless.



**EVERBODY'S FRIEND**  
From the *Tribune* (Los Angeles)



JAPAN'S LEADERS IN THE PRESENT WORLD CRISIS

COUNT OKUMA  
(Premier)COUNT OKA  
(Minister of War)VICE ADMIRAL KUROI  
(Commanding the Home Fleet)

*Japan's Aggressive Steps* Japan's ultimatum to Germany sured the American Government that her would have seemed to make for plans and intentions were in no way detrimental to the interests of the United States. a shortening of the war, through a multiplication of the obstacles that might lead the Germans to seek an armistice and a settlement before their resources were too much exhausted in a contest with the odds greatly against them. Germany seems to have relied on superior preparation, the rapid prostration of France, the slow movement of Russia, the full assistance of Italy, the neutrality of England, a holiday victory of Austria over the little Servian nation, strong American sympathy, and the total unwillingness of Japan to be lined up on the same side with Russia. But it seems that Japan had not only her treaty with England, but had also entered into a more extensive agreement with France and a more definite understanding with Russia than was commonly supposed. Furthermore, Germany's occupation of the Chinese port of Kiau-chau and a portion of the province of Shantung, opposite Port Arthur, had always been exceedingly offensive to Japan. Germany had engineered the combination of powers which ordered Japan out of Port Arthur after her victory over the Chinese in 1895 (ten years before her war with Russia). Subsequently, on the pretext of compensation for the murder of two missionaries, Germany had compelled China to give her Kiau-chau on a long lease. On August 16, Japan issued an ultimatum to Germany, demanding withdrawal from Kiau-chau and giving a week for reply. Japan was admittedly acting after full consultation with the British Government. She had as-

*American Interests in the Pacific* The authorities at Washington were reticent, but showed no displeasure. One Congressman flared up about Japan, on the floor of the House, but he was sidetracked; and nobody else made public criticism. The diplomatic arrangement by which the United States divided up the Samoan group in the Pacific with Germany, if not particularly brilliant, has at least worked peaceably for a good many years. If Germany is not to remain in the Pacific, her Samoan interests ought to be ceded to the United States. But Japan seems to have given definite assurances that she will not go farther than to expel Germany from the mainland of China and to protect her own trade and commerce from attack by German cruisers. Since Germany has practically no naval strength in the Pacific, while Japan, England, and Russia have together a vast naval power, it was at once evident that Germany could not hold Kiau-chau. A question, however, arose as to China's action, for it seemed likely enough that if the German lease were to be terminated, China would resume possession and not accept the program of Japan. Some newspaper writers have expressed fear lest the United States should become involved in difficulties in the Far East because of its sovereignty over the Philippines. Although

we are in control of those islands, we are giving them self-government quite as rapidly as it is possible for them to exercise it.

*No Danger About the Philippines*

When the time comes for intelligent and responsible action on their part, the Philippines will be free to become an independent republic; and every wise man knows that such a position could never have been attained by them without our tutelage and assistance. If anybody supposes that the people of the United States would involve themselves in a great war for the sake of keeping the American flag flying in the Philippine Islands, they are not good judges of American sentiment. The people of this country have moral courage enough not to resort to war when such action would be of no service either to ourselves or to the world. Japan has no intention whatever of interfering with our useful exercise of responsibility for the order and progress of the Philippines. We need not be embroiled in war, and we must pursue courses that will not only insure our own immunity but will also help to deliver the world from the hideous obsession of militarism. As for Japanese action and policy, let us hope that there will be wisdom and moderation. If, as the Japanese and others believe, Germany was prone to grasp advantages ruthlessly wherever she could get them in the development of her ambitious projects of empire, it would be most unfortunate if Japan should fall into the same error and give the world the impression of an undue readiness to seize what can be had in a time of some other power's misfortune.

*Canada's Position*

The sympathy and loyalty of the great self-governing British dominions are completely with the mother country. The Canadian Parliament assembled on August 18, and the Prime Minister, Mr. Borden, was eloquently seconded by the opposition leader, Sir Wilfrid Laurier, in the entire program of support. Canada not only has money to offer and ships for transport, but proposes to send about 20,000 soldiers. There are questions touching Canada's participation in European wars that bear profoundly upon the policy of the United States. It would not accord with American views to have the theater of war shifted to this continent, or to have Canada's security in any way molested. But at the present moment these are academic rather than practical questions, because the sea power of the British Empire, together with that of her allies, renders it wholly improbable that Ger-

many could attack either of Canada's ocean seaboards. The time is especially opportune for rejoicing that there are no fortifications along the thousands of miles of frontier between the United States and Canada. Nor does European war render us less thankful for the hundred years of peace that have followed the signing of the Treaty of Ghent in 1814. An admirable and timely pamphlet by Dr. Charles H. Levermore has just appeared, which tells the story of "The Anglo-American Agreement of 1817 for Disarmament on the Great Lakes." The pamphlet is issued by the World Peace Foundation, of Boston, and it brings the subject up to date. We have avoided a war with Mexico, and have no fortifications along our southern boundary line.

*Can We Gain by Europe's Calamity?*

While nothing has been said in the United States that would indicate a desire to obtain any territorial or "imperial" advantages for this country, very much has been said about the opportunity to gain economic prosperity. Most of what has been said on this subject is shallow and delusive. Broadly speaking, other people's impoverishment cannot contribute to our wealth. Prosperity can be diffused, while, on the other hand, great disaster and loss cannot be localized. The paralysis of industry and commerce in Europe will cause much poverty and suffering in the United States. Neither American capital nor American labor will be benefited by the annihilation of European capital and the diversion of labor to the destructive business of war. We will have to bear it as well as we can, praying that the war may be short and less devastating than has seemed probable. The newspaper talk about the opportunity of wealth through the creation of a vast American merchant marine is palpably absurd. American capital is fully occupied in enterprises more profitable than the carrying of ocean freight. If, in order to get our surplus commodities to Europe, and to bring back things needful, such as coffee, hides, sugar, and so on, from South America and elsewhere, we are obliged to take our capital out of other enterprises and put it into ocean freighting, it will mean actual loss rather than gain, because we cannot afford to do that business as cheaply as Europe has been doing it for us.

*As to Our Merchant Marine*

The temporary paralysis of ocean trade, due to a state of war between England and Germany, is very embarrassing, and necessitates

emergency action of some kind. Mr. Winthrop L. Marvin, of Boston, who is a high authority upon shipping matters, and who our readers (see page 325) have written from time to time for this REVIEW, deals with this maritime situation the United States is ready to meet any possible emergency in the financial world. An article written as late as the twentieth of August, which will be found beginning on page 329. That Congress should revise our navigation laws, and make it easier for trade. It seems hardly likely, with the whole American-owned ships to fly the American flag, was obviously necessary. It was in mitigation of disaster, rather than in seizure of opportunity. Secretary Lane was justified in the Senate last month, and the Clayton calling attention to certain mineral resources, particularly potashes and phosphates needed for fertilizers, that might be opened up through action of Congress, in view of the cutting off of foreign supplies. In incidental and special ways, America may develop new sources of prosperity; and she may in many ways be able to help Europe tide over the period of financial and business trouble. But we must prepare soberly for our own less heavy burden of loss, rather than indulge in hopes of gain that are not only fallacious but also unbecoming. We can even operate government ships; but only to meet emergencies.

*Congress Becomes Reconciled*

Trouble, after all, is a relative thing; and the law-makers at Washington are not so disturbed as they were a month ago over the prospect of little or no recess. Comparing their own favorable situation at Washington with the stress and anxiety to which governments and parliaments are now subjected in every European capital, they become patriotic, grateful, and amenable. Partisanship has not been obtrusive, and there has been intelligent and prompt co-operation. Changes in the Aldrich-Vreeland law were promptly made, which gave the Secretary of the Treasury authority to support the banks to an almost unlimited extent, after the European crisis and panic

Sept.—2



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THE LATE MRS. WOODROW WILSON

*President Wilson in Critical Times*

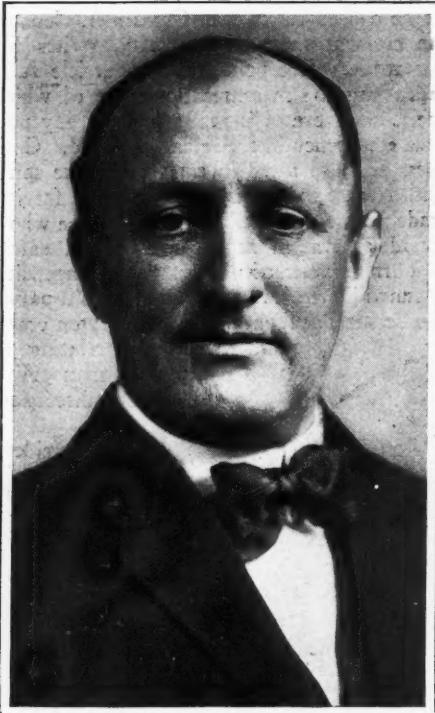
President Wilson's unflinching devotion to public duty, and his wise attitude in the midst of strange and perilous times, have not failed to win admiration and respect. Upon August 6 a great personal bereavement befell him in the death of Mrs. Wilson, whose worth of character and grace of personality had given her, as mistress of the White House, a rightful place in the regard of the American people. For there is some public quality that

of necessity belongs to

such a position, and Mrs. Wilson had filled the place with simple dignity and perfect approval. The President has been sustained in his affliction by the compelling force of his public duties at a moment of unprecedented seriousness in the history of modern nations. Like most of his predecessors, Mr. Wilson has not failed to rise high when great emergencies have afforded a test of character, wisdom, and moral power.

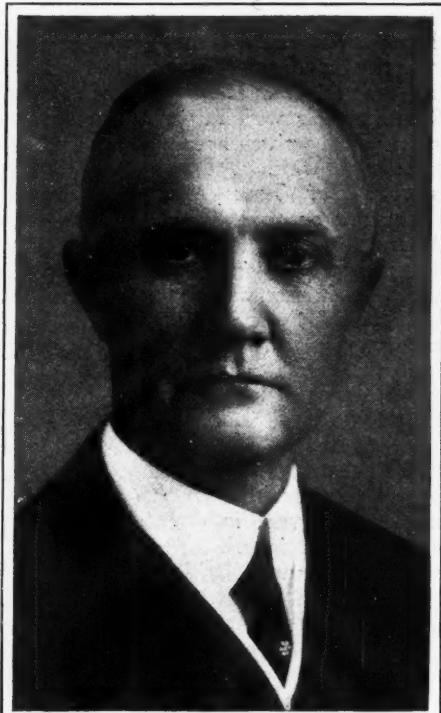
*Noteworthy Appointments*

It has been necessary for the President to make several important appointments. Foremost is that of a Supreme Court Justice, to fill the vacancy caused by the death of the lamented Justice Lurton. For this place President Wilson chose his own Attorney-General,



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THE NEW MEMBER OF THE UNITED STATES  
SUPREME COURT



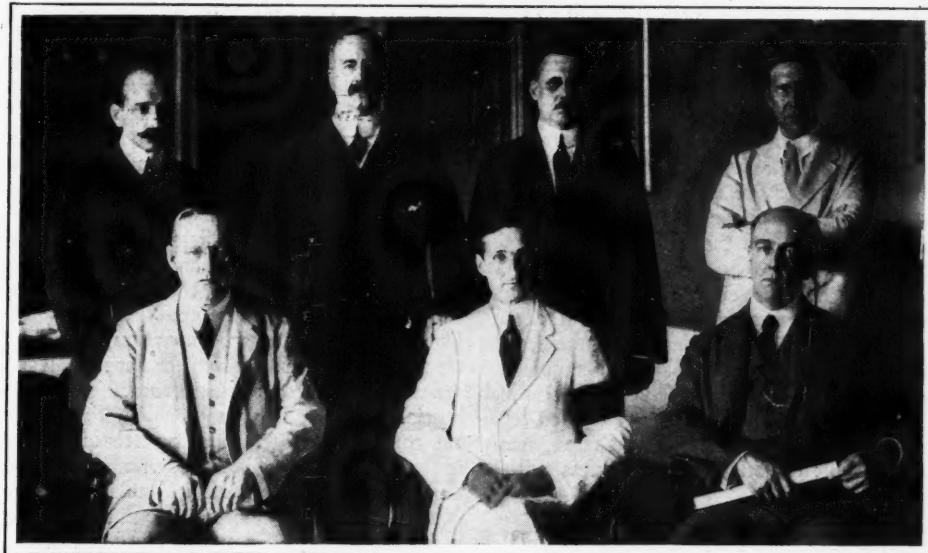
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THE NEW ATTORNEY-GENERAL OF THE UNITED  
STATES

Hon. James C. McReynolds, whose name was transmitted to the Senate on August 19. Mr. McReynolds is fifty-two years of age, and was born in Kentucky, though more prominently identified with Tennessee, his home being in Nashville, as was Judge Lurton's. For some years he was Assistant Attorney-General, and afterwards practised law in New York, giving much time, however, as a special attorney for the Government to the prosecution of the Tobacco Trust, and other cases under the Sherman Act. His acquaintance with litigation in the federal courts is vast, and his record indicates a powerful legal mind. It is reasonable to believe that he will be a valuable and fit member of our great tribunal. To succeed Mr. McReynolds in the cabinet as Attorney-General, Mr. Wilson at the same time designated Thomas Watt Gregory, of Texas, who has been serving as a special Assistant Attorney-General, particularly dealing with the New Haven Railroad situation. Mr. Gregory is of about the same age as Mr. McReynolds. He is well spoken of, and the country will now have an opportunity to make his acquaintance.

*The Reserve Board at Work*

Of no less importance has been the completion of the Federal Reserve Board, which is to dominate our system of currency and banking. The Senate wisely concluded to confirm the nomination of Mr. Paul M. Warburg; and the President substituted the name of Mr. Frederic A. Delano, a Western railway president, for that of Mr. Thomas D. Jones, whose appointment failed of confirmation. Mr. Delano, like Mr. Warburg, is a man of exceptional qualifications, by reason of experience and ability as also by that of high character as a man and a citizen. Mr. Warburg's almost unequaled knowledge of international banking and finance supplies at this moment a most necessary element. The other members of the board, who had been earlier named, are Dr. Adolph C. Miller, of California; Mr. W. P. G. Harding, a prominent banker of Birmingham, Ala., and Mr. Charles S. Hamlin, of Boston. Mr. Miller was promoted from the post of Assistant Secretary of the Interior, and Mr. Hamlin from that of an Assistant Secretary of the Treasury. Secretary McAdoo and Comptroller John Skelton Williams are ex-officio



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## THE FEDERAL RESERVE BOARD, NOW FULLY ORGANIZED

(Standing, from left to right, are: Paul M. Warburg, Comptroller John Skelton Williams, W. P. G. Harding, and Adolph C. Miller. Seated, from left to right: Charles S. Hamlin, Secretary of the Treasury McAdoo, and Frederic A. Delano)

members of the board. President Wilson has designated Mr. Hamlin as chairman, or governor. Although the new system cannot go into full effect for several weeks or months, the members of this Reserve

Board have already been of great assistance in important conferences upon the Government's relation to the country's monetary and business needs. These conferences have been participated in by Treasury officials, chairmen of Congressional committees, and prominent bankers and business men. There has come about a good understanding that has relieved some of the strain which was evident three months ago between the heads of the private banking world and the heads of the Government's fiscal system.

*The Elections and the World Crisis* The international crisis has probably strengthened the Democratic

position in the elections this fall. Many people who meant to vote adversely to the Administration may feel that it will be better to strengthen the President's hands. For the time being, the larger public has forgotten about our approaching elections, although the politicians have been as busy as usual. All the elections will be held in November, excepting those of Maine and Arkansas. The Maine election occurs on September 14, and Mr. Roosevelt has made speeches in that State in support of the Pro-

gressive candidate for Governor, Halbert P. Gardner, as against the present Republican Governor, Haines, who is running for another term. Mayor Curtis, of Portland, is the Democratic candidate.

*New York's Political Chaos* Many pages might be written about the current politics of the State of New York; but editorial discrimination compels us to take the view that the topic is as yet too local and too indefinite to be of national interest. An unofficial Republican convention was held at Saratoga on August 18. Senator Root was chairman, and gave an air of seriousness and dignity to the occasion. Otherwise the situation was dominated by State Chairman Barnes, of Albany, and was devoted to wire-pulling on behalf of the candidates who will be selected in the primaries on September 28. Mr. Harvey D. Hinman, a well-known lawyer and former State Senator, of Binghamton, had come out as a candidate for Governor in a statement denouncing the leadership of Mr. Barnes and the boss system of both parties. Mr. Roosevelt had made a vigorous statement of a non-partisan kind supporting Mr. Hinman, without intending in any manner to commit Hinman to connection with the Progressive party. The candidate of Mr. Barnes and the organization is Mr. Whittemore, the famous District Attorney of New

York City. Mr. Job Hedges is also a candidate. The organization is supporting Mr. James W. Wadsworth, Jr., as its candidate for the United States Senate to succeed Senator Root. Mr. Wadsworth was at one time the Speaker of the Assembly. A rival candidate for this great office is Congressman Calder, of Brooklyn. Nobody knows what the Democrats will do, but they will probably nominate Governor Glynn for another term. Mr. Sulzer, who was deprived of his office as Governor by wicked and unlawful means, is an independent candidate for that office, and there is a chance that he may make a surprisingly strong run. There is not much prospect, this year, of obtaining a good legislature or of securing a good State government. But doubtless some progress will be made.

*The Contest  
in Ohio*

In Ohio State-wide primaries were held on August 11, with the result that the Democrats renominated Governor Cox, while the Progressives chose James R. Garfield, and the Republicans selected Congressman Frank B. Willis, of the Eighth District, who lives at Ada. Cox was elected two years ago in a similar three-cornered fight. Senator Burton was not a candidate for another term, and the Republican primaries chose Warren G. Harding as candidate, in preference to ex-Senator Foraker. Three popular Democrats,—Attorney-General Hogan, John L. Zimmerman, and John J. Lentz,—competed for the Senatorial nomination, and Hogan was successful. The Progressives chose Arthur L. Garford, who was their candidate two years ago for the Governorship.

*Beveridge and  
the Indiana  
Fight*

The great fight in Indiana is for the United States Senatorship. Senator Benjamin F. Shively has been renominated by the Democrats; Hugh T. Miller, formerly Lieutenant-Governor, is the Republican candidate, and Albert J. Beveridge is running as the leader of the Progressives. Aside from considerations of partisanship, Mr. Beveridge seems to be making a remarkable campaign among the admiring Hoosiers who like the record he made as a progressive Republican Senator for twelve years, and who are gradually, though slowly, finding out that this year the people vote directly for Senators and have a perfect right to support the man they prefer. The contest seems to lie between Mr. Beveridge and Mr. Shively.

*Kansas  
Notables  
Competing*

The political situation in Kansas has of late attracted unusual attention. Governor Hodges is the popular Democrat who carried the State on the ticket with President Wilson in 1912, and he is renominated. Against him is the very able and much-admired head of the Topeka *Capital*, Mr. Arthur Capper, who has the Republican nomination; while the Progressives have put in the field the redoubtable Henry J. Allen, editor and owner of the Wichita *Beacon*, who led the Roosevelt fight on the platform of the Republican National Convention at Chicago, two years ago, with tremendous power. Whatever happens, Kansas will have a notable Governor. The Senatorial situation is even more interesting to the country at large. Senator Bristow failed of renomination, and the Republican candidate is ex-Senator Curtis. Congressman Neely won the Democratic nomination over a number of rivals in the primary of August 4. The Progressives unanimously conferred the Senatorial nomination upon that very capable and popular Congressional figure, Mr. Victor Murdock.

*Carranza  
Enters Mexico  
City*

On August 19 General Venustiano Carranza, First Chief of the Mexican Constitutionalists, made his triumphal entry into Mexico City at the head of his troops. Events moved rapidly in Mexico during July and early August. It was evident, when Señor Carbajal was appointed provisional president, that his incumbency had intended to cover only the period of time necessary to turn over the capital and the affairs of the nation peacefully to the triumphant Constitutionalists. There was a good deal of negotiating between Provisional President Carbajal and General Carranza over the questions of amnesty for those who had fought for Huerta, and the obligations, financial and otherwise, which the régimes of Huerta and Carbajal had contracted. While Carranza steadily refused to promise security for the lives and property of the defeated Federals in any more definite terms than that they would all be accorded "Constitutionalist justice," it was generally believed in Mexico and in the United States that the heads of the triumphant revolution could be trusted to extend some clemency.

*Repudiating  
Huerta's  
Debts*

During the night of August 13, President Carbajal and his cabinet, with almost the entire Federal army, disappeared from Mexico City. Señor Carbajal left a manifesto declaring that

he had done his best to save the country from further bloodshed, but that, since the Constitutionalists demanded unconditional surrender, he was forced to dissolve the government. The attitude of the new régime toward the obligations contracted by Gen. Huerta is indicated by the decree, issued on August 20, repudiating government notes to the amount of \$10,000,000, issued on July 25, by Provisional President Carbajal, on an authorization made during Huerta's rule. Meanwhile, General Funston remains at Vera Cruz, and, although the Navy Department has announced that our big ships will be withdrawn on the first day of the present month, the date of the termination of American occupation has not yet been set.

*The Rate  
Decision at  
Last*

On August 1 the decision of the Interstate Commerce Commission on the application of the Eastern railroads for a 5 per cent. increase in freight rates was published,—more than fifteen months after this second application had been made, or more than four years after the first request of the roads for relief from conditions which were then evident to their heads. A majority of five out of the seven members of the commission decided that the roads in trunk-line territory,—the country east of Pittsburgh,—should not have any increase of rates and that the lines between Pittsburgh and the Mississippi River should be allowed the 5 per cent. increase of all class and commodity rates except those on coal, coke, iron ore, cement, brick, tile, clay, starch, and plaster. Commissioners McCord and Daniels dissented from this decision and held that the full increase of 5 per cent. should be allowed the Eastern roads as well as those in central territory.

*What It  
Amounts to in  
Dollars*

The structure of railroad freight rates is so vast and intricate that even the best informed railway men have not calculated with entire accuracy what net effect the decision of the commission will have on the revenues of the carriers. The prevailing estimate is that the railroads will gain from ten to fifteen million dollars per year in the territory affected, some Washington statisticians putting the gross increase at twenty million dollars. Railroad men point out that even where the 5 per cent. increase is allowed, the exclusion of coal, iron ore, and other important commodities from the benefit of the increase will bring it about that the higher rates open. Every other first-rate exchange in the world will be applied to practically only 30 per

cent. of the total tonnage in the central territory. While there was a clean-cut refusal to allow any increase in rates for the Eastern roads, several of the most important trunk-line roads will feel the benefit, small as it is, from the fact that Eastern lines, like the Baltimore & Ohio, New York Central, and Pennsylvania, have large mileage in the central district as well.

*An Efficiency  
Engineer's  
Conception of  
Railroading* In this issue of the REVIEW OF REVIEWS appears an article from Mr. Harrington Emerson, inspired by the rate decision. Mr. Emerson is the well-known efficiency engineer, whose testimony was adduced four years ago by Mr. Brandeis in his effort to show that our American railroads could increase their net revenues by very large sums through the application of the principles of efficiency in the details of their operation. Mr. Emerson is a man of large vision, with a notable ability to divorce his mind, in approaching a new problem, from all convictions resting merely on use and tradition. It is interesting in the present article to see his advocacy on an entirely new organic scheme of operation by the railroads, through which he believes they would obtain such results as would enable them to earn the profits needed.

*The Stock Exchange  
Closes* The last days of July saw an increasing flood of American securities held by European investors offered for sale on the New York Stock Exchange. This necessitous selling, aided by frightened liquidation of Americans disturbed over the rumors of war, and the usual added momentum downward from the selling out of weakly margined speculative accounts, brought prices of even the best securities to the point of collapse. On July 30 the still more ominous war situation in Europe brought about a virtual panic on the Exchange. More than twelve hundred thousand shares of stock were sold and prices crumbled disastrously. Losses in prominent securities varied from three to fifteen points for the single day. It was not, however, until the following morning, of July 31, that the governors of the New York Stock Exchange, hearing that Germany had declared war, and finding that there was an enormous amount of securities, especially from European holders, still overhanging the market, decided shortly before the time for opening the Exchange that it should not open. Every other first-rate exchange in the world had already closed, "moratoriums"

had been declared in England and France by which all debtors were given an arbitrary extension of time, and foreign exchange had risen to a figure unheard of in the history of modern commerce, and so high that business in foreign credits was prohibited.

*The First Closing in Forty Years* The New York Stock Exchange had only once been closed before, in 1873, and on that occasion business began again, after only ten days, on a buoyant market. Some financial authorities go so far as to predict that the Exchange will not be opened while the war lasts. In the meantime, it was inevitable that where owners of securities desired to sell them and there were people with ready money to pay for them in cash, transfers of ownership would be effected. In the meantime, it was a somewhat remarkable evidence of the general soundness of the American financial situation that no greater monetary and business disturbances were caused by the previously unheard of conditions. Only four minor failures of financial houses were reported, call money was never quoted higher than 8 per cent., and generally at 6 per cent., and stock-exchange houses with affiliated businesses simply stopped operations, with confidence that things would finally work out, and with a general feeling of relief that New York was so far from the scenes of real disaster. For the tenth time the New York banks took out Clearing House certificates; the savings banks put into effect the requirement of sixty-days' notice from depositors; the government offered the banks \$100,000,000 of emergency currency and Congress hastily took action on the Aldrich-Vreeland measure through which the banks of the country will eventually be able to call on a maximum of \$1,000,000,000 of emergency currency.

*War Effects on Commodity Prices* Within a scant week after the outbreak of war the prices of foods and other necessities began to rise. Wheat naturally shot up in price, come from increased internal revenue taxes, in anticipation of heavy demands from the battling countries; it quickly added nine cents per bushel to an already considerable rise. The prices of meats, flour, coffee, drugs, and many other necessities showed such an uncanny alacrity in mounting that it was found necessary toward the middle of the month to bring the legal forces of the Government, assisted by State and municipal authorities, into active motion to protect the consumer against artificial price-raising.

President Wilson ordered a searching investigation by United States district attorneys, assisted by special agents of the Department of Commerce, to obtain evidence in cases where prices were forced up on the mere excuse of war, that would enable the attorney-general to prosecute the offenders under the conspiracy section of the Sherman Law. Sugar quickly advanced about 50 per cent., because of the cutting off of the huge supplies of sugar beets ordinarily imported from Germany. Cotton fell heavily in price because much more than half the crop is used by British and European manufacturers, and a serious doubt arose as to whether this market would be open at all. So serious was the situation as regards the immediate future for the cotton-growers that New York banks agreed to loan as much as \$400,000,000 to them at the rate of \$40 a bale, with the hope that, European imports being cut off, a greater demand for American textiles would use up the crop quickly. The American paper-makers depend on imports of one thousand tons of wood pulp a day from Europe, and unless the Canadian supply is quickly increased, the price of paper must rise, accelerated by the greater demand resulting from the abnormal output of newspapers in the war excitement. Virginia, Kentucky, and Cuban tobacco-raisers are facing a serious problem in marketing their product, with the great quantities usually sold to Continental Europe on their hands.

*War Taxes Close at Hand* Congress and the administration have been forced to take actively in hand the work of raising money to run our Government. The paralysis of the importing trade has already radically cut down receipts from the tariff. Various propositions have been advanced as to the proper and best way of making up the coming extraordinary deficit in current income. It is generally assumed that the major portion of the needed revenues will come from increased internal revenue taxes, especially on beer, spirits, and tobacco. The discussion in Washington also includes the possibility of an increase in the income tax, and an extension of the tax to cover incomes of between \$1500 and \$3000 a year, as well as those over \$3000 a year, as at present. The Treasury Department calculates that it can get along fairly well until December. In the latter part of August there was a feeling among the Democrats in Congress that it would be better policy to postpone special war taxes until after the elections.

# THE NEWS STORY OF THE GREAT WAR

*The Story  
of  
the War* On the last day of July all as best they might, removed their capital from Belgrade, perched high on the south side of the Danube and commanded by Austrian guns, to the ancient city of Nish in the interior of the country.

(June 28) which removed from the world the heir to the Austro-Hungarian throne and his wife, and the declaration of war by Germany upon Russia was so full of diplomatic and international political developments that the lines were drawn for the great war of nations before the world realized that a conflict was possible. A hundred years after the exile of Napoleon to Elba, Europe found herself again locked in a gigantic grapple for mastery. The background and mainsprings of this clash of the nations and the larger lines of its influence on the world are considered in special articles in this number. The detailed chronique of the moves of monarchs and diplomats and the movements of armies is told by dates in the "Record of Current Events." The differing opinions of eminent men of both sides are presented in our "Leading Article" department. We have opened with a survey of the world's concern in the war. Elsewhere in these editorial pages, finally, a summary and analysis is given of the documents that set forth the causes of the war and the official justification for each of the belligerents.

*Austria's Descent on Servia*

The swiftly moving story of the development of the war begins with the ultimatum, sent to Servia on July 23, by the Austro-Hungarian government. The Austrian note, which called for an answer in forty-eight hours, demanded the punishment of the accomplices in the murder of Archduke Franz Ferdinand and the disapproval and suppression of anti-Austrian propaganda in Servia. The reply of the Belgrade government signified agreement to all the Austrian demands except that one which would have permitted government officials of the Dual Monarchy to take a predominant part in the punishment of those implicated in the murder of Franz Ferdinand. Even on this point the Serbs simply asked for further "information." This, however, did not satisfy Austria. With the evident intention of forcing war, no matter what the reply, the government at Vienna peremptorily rejected the Servian concessions, declared war on Servia, and moved troops to the border. The Serbs, preparing to defend themselves

*Russia "Backs" the Serbs* As soon as the Austrian guns began to roar against the Servian capital, the center of European concern moved from the Balkans to Russia's capital on the Neva. Would Russia support the Serbs against Austria? If so, a general European war was imminent. The Foreign Office in St. Petersburg at once became the nerve center of the continent. Telegrams from Vienna, Berlin, Paris, London, and the capitals of the smaller nations,—some of them personal messages from the sovereigns of Europe,—poured in. Some were intended merely to "feel out" Russia's attitude, others earnestly endeavored to compose the situation and prevent a clash between the great powers. The German Kaiser, who was on a vacation trip cruising in the fiords of Norway, by personal messages and through his ambassador at St. Petersburg, Count von Pourtales, soon assumed the leadership in the great diplomatic game of "Is it war or peace?" The day after Austria declared war on Servia, the Russian Foreign Minister informed Count Pourtales that Russia would not "be able to remain indifferent if Servia were invaded."

*Germany Declares War on Russia* For several days the Austrian and Russian governments, through their ambassadors, negotiated to "localize" the war. Meanwhile Great Britain had proposed to Germany that these two countries, with France and Italy, should summon a general council to mediate between Russia and Austria. The German Kaiser declined, because, as the Berlin government stated, Vienna and St. Petersburg were in direct communication and Berlin would not interfere. On July 29 the Czar telegraphed to the Kaiser urging upon him to restrain his ally, Austria-Hungary, from going too far and thus precipitating a European war. The Kaiser, it is said, again applied diplomatic pressure at Vienna. Meanwhile Russia had begun to mobilize her troops. The Kaiser telegraphed the Czar that this action made mediation impossible. Two days later the German monarch sent a personal telegram to the Czar, declaring em-

phatically that the safety of the German Empire forced him to "take defensive measures." On the same day a twenty-four-hour ultimatum demanding that Russian mobilization cease was sent to St. Petersburg and martial law declared throughout the German Empire. At noon, on August 1, the ultimatum to Russia having expired, the German Kaiser signed the order for mobilization. On the same day the German Ambassador delivered a declaration of war at St. Petersburg and left the city. The German-Russian border was crossed by both armies, their ships met in the Baltic Sea, their airmen scouts went aloft, and the war had begun.

*And Against France*

When the Germans found themselves ready to declare war against Russia they knew that this necessitated an instant understanding with France. On the evening of July 31, therefore, after Count von Pourtale had delivered Germany's ultimatum to the Russian Foreign Office, Baron von Schoen, the German Ambassador at Paris, inquired of Premier Viviani what would be the attitude of the Republic in case of a Russo-German war, requesting a reply before the time set for Russia's answer. The French Premier asked whether Germany could not even then avert war, and von Schoen promised to communicate with Berlin and return to the French Foreign Office that afternoon (August 1). Upon his return he repeated the question as to France's position in case Germany and Russia should fight. M. Viviani replied, "The Republic will be forced to consult her own interests." Immediately obliged to consider Belgium as an enemy, afterwards the mobilization of the entire French army was ordered. Accompanying the order, however, was a statement from President Poincaré and the entire French cabinet explaining to the rest of Europe that this was only "a precautionary measure." On August 3 martial law was declared throughout France and Algeria and the parliament called to meet on the 5th. The day before this Baron von Schoen announced to Premier Viviani that a state of war existed between Germany and France. The ministry of war at Paris called back the French Ambassador at Berlin, M. Jules Cambon, instructing him, before leaving, to protest vigorously against German violation of Luxembourg and the German ultimatum at Belgium. Thus, so swiftly had the German blow been struck that, before a "state of war" was acknowledged between the two countries, the German invasion of France

*Germany's Violation of Neutrality*

With an almost bewildering swiftness the rest of the continent ranged itself on either side. Before a week had elapsed the Austro-German combination found itself faced by Serbia, Russia, France, Belgium, Great Britain, Portugal, and Montenegro, with all of which they had officially exchanged declarations of war. On the last day of July Great Britain asked France and Germany simultaneously whether they would respect the neutrality of Belgium, which had been guaranteed by all the great powers in 1831. The French Foreign Office promptly replied, "Yes." The German Foreign Minister, Herr von Jagow, declined to reply, although, in a statement given out a few hours later, the Imperial Chancellor, Dr. von Bethmann-Hollweg, admitted that German troops were "going through Belgium." Belgian mobilization was ordered at once. On August 2 the Germans marched into and occupied the Grand Duchy of Luxembourg, the small territory fronting on France, Germany, and Belgium, the neutrality of which had been guaranteed by the powers in 1867. On the following day the German Government sent to Belgium a twelve-hour ultimatum demanding that German troops be permitted to pass through the country to invade France and promising "amends and compensation" at the end of the war. In case of a hostile attitude on Belgium's part, said the German communication, the Imperial German Government would be obliged to consider Belgium as an enemy. In reply the Brussels Government referred to the French promise to respect Belgian neutrality, protested against any violation of her territory, and announced that not only would she be compelled to refuse the German request, but that she would defend her neutrality by force of arms.

*Britain Declares War on Germany*

As soon as the news of the German declaration of war upon France reached England, the British Government, through Sir Edward Grey, announced that German warships would not be permitted to attack France's channel coast. When Germany failed to respect Belgian neutrality, mobilization of the British army began and all the naval reserves were called out. On August 4 Premier Asquith, addressing the House of Commons, declared the British policy, and on the same day the Foreign Office at London

war against Germany. A war budget of \$500,000,000 was voted and the British war nevertheless, the Madrid government ordered fleet sailed under sealed orders. Within a few days an English expeditionary force of 120,000 men had been landed in France, and later Sir John French, Inspector-General of the British army, joined the French commander-in-chief and the allied armies were facing the German advance.

*Austria vs. Russia, France, Britain* On the same day, August 1, that

Russia, Montenegro officially joined Servia against Austria and the allied Serb armies joined battle with the forces of the Emperor Franz Joseph, one army acting in the defense of Servia itself, and the other invading Bosnia. Diplomatic communications between Vienna and St. Petersburg continued for a few days. The troops of both nations, however, kept moving towards the boundary. On August 6, Austria-Hungary declared war on Russia. Her troops at once crossed the Russian border and Servian despatches reported less activity along the Danube. Three days later large bodies of troops were reported to have crossed into Germany and to have approached the French border north of Switzerland. On the next day, August 10, the French Government proclaimed a state of war between the Republic and Austria. On August 12 Britain declared that a state of war existed between her and Austria, and Montenegro formally declared war against Germany. The other nations of the continent endeavored to maintain their neutrality. On the last day of July Switzerland, announcing that it would be neutral, ordered the mobilization of all its forces. "Every railroad bridge and every mountain pass is guarded."

*Scandinavia, Portugal, Spain and the Balkans* The three Scandinavian countries and Holland each proclaimed strict neutrality, but

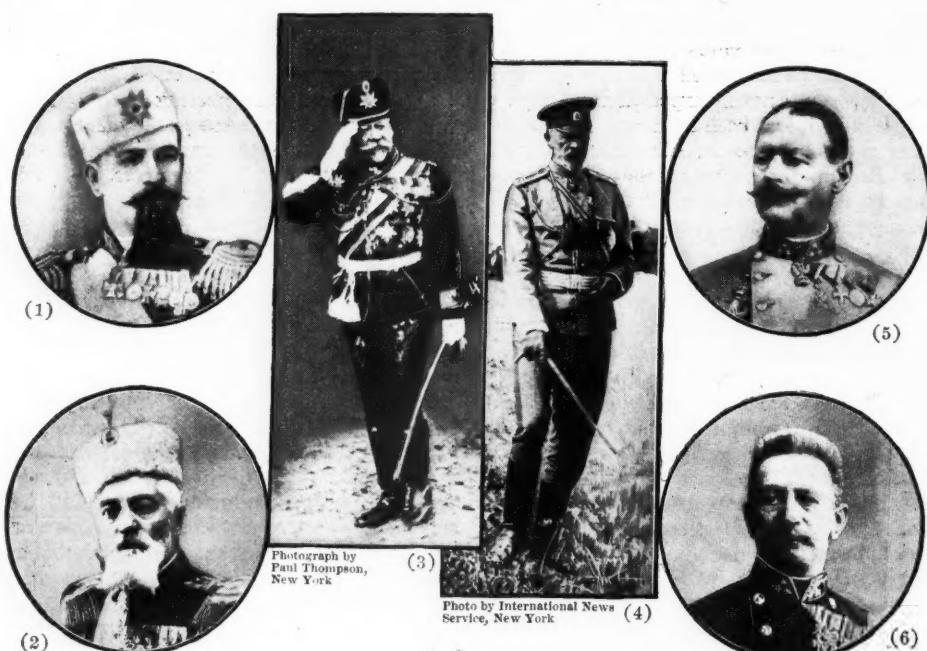
summoned all their troops to the colors for defense. Both Germany and Russia, on August 2, asked Sweden what her course would be. The government at Stockholm is reported to have replied that Sweden, Norway, and Denmark "have exchanged obligatory assurances with a view of preventing hostile measures being taken against them because of the war." Portugal, in reply to the German inquiry, replied, on August 8, that she would "fulfil her treaty obligations with Great Britain," although "this does not mean that Portugal intends their allied enemies. Almost immediately to abandon her neutrality."

the immediate mobilization of all the Spanish forces. France, remembering the Bourbon-Hapsburg family traditions of the Spanish king, at once took "the precaution of cutting the railroad lines at the Pyrenees." It was at first stated that Rumania, after proclaiming herself neutral, had gone over to the Triple Alliance, but later this report was denied. Meanwhile, the Ottoman Government, while declaring that it intended to remain neutral, believed it would probably have to "fight some power," and therefore mobilized all its forces. Soon it became evident that Turkish troops were crossing Bulgarian territory. The Turkish-Greek tension increased almost to the breaking point, and the government at Athens declared that as a measure of defense and in accordance with her agreement with Servia, if the Turks entered any of the territory taken from them before the war, Greece would move her troops.

*Italy's Uncertain Neutrality* Finding so large a part of the continent arrayed against them, the German and Austrian governments called upon Italy, their ally in the Dreibund, to fulfil her treaty obligations. The foreign office at Rome replied that her allies were not engaged in a defensive, but in an offensive war, and that, therefore, she would consult her own interests and remain neutral. The Italian cabinet council ratified this decision on August 3. In response to pressure applied by the German and Austrian governments, at one time reported as amounting to an ultimatum from Berlin, the Italian Government reaffirmed its declaration of neutrality and called the first and second lines of troops to the colors.

The traditional Italian animosity towards Austria (the Austro-Italian question is explained on another page) was increased greatly by the bombardment of the Montenegrin seaport of Antivari, on August 8, by Austrian cruisers, during which Italian property was destroyed. It was rumored persistently from Rome and other parts of Italy that eventually King Victor Emmanuel's government would break with the Triple Alliance and join forces with the Entente.

*Germany Long Ready* At the opening of actual hostilities in this great war it is necessary to visualize the campaign of the two Germanic powers against their allied enemies. Almost immediately it became a German war, with Austria-



(1) NICKIFOROV, SERVIAN MINISTER OF WAR; (2) YANKOVITCH, COMMANDER SERVIAN ARMY;  
 (3) SUKHOMLINOV, RUSSIAN MINISTER OF WAR; (4) GRAND DUKE NICHOLAS, RUSSIAN COMMANDER  
 IN CHIEF; (5) KROBATKIN, AUSTRO-HUNGARIAN MINISTER OF WAR; (6) VON HOTZENDORF, HEAD OF  
 THE AUSTRO-HUNGARIAN ARMIES

Hungary as a "brilliant second," to quote of the world. The power and efficiency of the Kaiser's own words with reference to the German war machine has been one of Vienna's support of Berlin at the Algeciras Conference. That Germany would, sooner or later, have to fight Russia, France, and play of alliances, and in the advancement of England, separately or together, has been one of the maxims of European statecraft ever since the Franco-Prussian conflict of 1870. The politics of Europe has been largely premised on this assumption. The German has always known that some day he would have to reckon with the French effort to retake Alsace-Lorraine. "When [not if] we fight England" has been the object of chief concern with German domestic and foreign policy for a quarter of a century. The German has believed that English jealousy of his commercial success would eventually force him to defend his possessions and achievements. Therefore the splendid modern German navy. Finally, the death grapple of the Teuton and Slav, has been one of the axioms of the Kaiser's continental policy.

*Her Army a Defense or a Menace?* To meet these great ends the German General Staff has worked unceasingly for a generation, with a persistence and scientific conception that has elicited the respectful dread of Russia and France, and on her northern

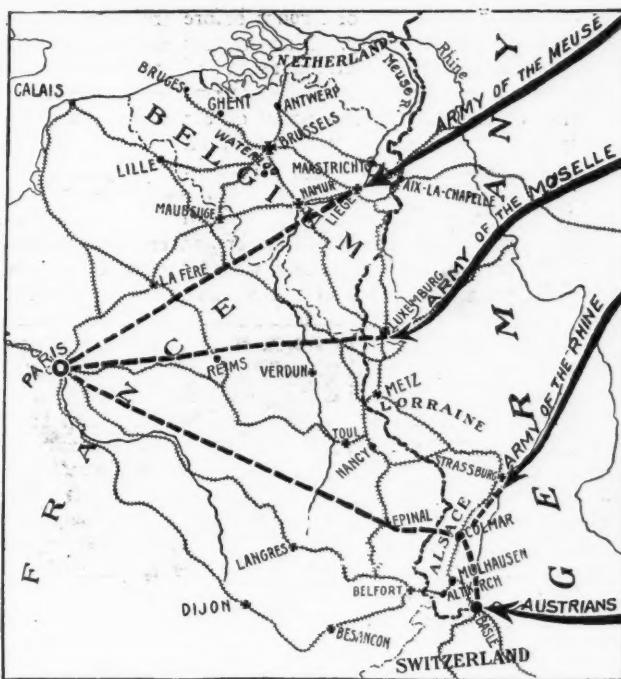
*The War as "Made in Germany"* Thus we find their reasons for a German "campaign of defense" on both sides against the armies of Russia and France, and on her northern

coast and the high seas against the navies of Great Britain. The German plan of campaign has been fought out by the Kaiser's General Staff patiently and thoroughly many times. It may be said that every soldier in the German army has already participated in many campaigns of defense and attack against the enemies of the Fatherland, bloodless, although on much the same scale as though with shotted guns. German strategists and statesmen, soldiers and sailors, have frankly declared what they would do when the great war came. One military scientist, Bernhardi has even written a book ("Germany and the Next War." See our Book Department this month, page 376) in which he not only deliberately advocates preparing for war, and praises war itself, but tells

what Germany may be expected to do. Briefly, short, not much over 200 miles. North of the German strategy was this: Strike hard the point at which the Franco-German front and quick at France. Crush her. Then march tier terminates lies the Duchy of Luxemburg, eastward before the slow-moving Russians and north of this is Belgium. To understand are ready, and, with Austria's assistance, divide them and beat their scattered forces in war it is necessary to grasp clearly one very detail. In the meanwhile, recognizing the simple geographical fact. The Rhine is the naval superiority of Great Britain, keep the basis of all German military operations to German fleet in the Baltic Sea guarding the the west. From this "natural" boundary two entrances, the famous Kiel Canal and between the two countries, as is indicated the straits between Norway-Sweden and Denmark. The German Empire, according to the patient, statistical professors of the first may be said to begin at Cologne (Köln), Fatherland, is able, even with its ports blockaded, to live on its own resources for at least a year. During this time Austria, if possible, was expected to subdue, or at least hopelessly divide the Balkans, while Italy, "if not our active ally, at least not worse than neutral," would be the "subterranean channel" of outside communication.

*The Three  
Ways Into  
France*

While it now seems evident that German military strategy and German statecraft made several miscalculations, nevertheless the war actually began in accordance with the plan of the German General Staff. The German attack on France was fierce and sharp. The German-French border itself is comparatively



THE ROUTES OF THE THREE GERMAN ARMIES INVADING FRANCE

the fighting in this second Franco-German boundary line, crossing into France by way of Longwy. Blücher followed this route at the Belgian town of Liège, and enters French territory by a sort of natural gap between the headwaters of the two rivers, the Oise and the Sambre. The main railroad between Paris and Berlin goes this way. The second natural avenue to France may be said to begin at Coblenz and follows

the valley of the Moselle River to the Luxemburg line, crossing into France by way of Mayence (Mainz), follows the Rhine at Strassburg, and then turns west, crossing the French frontier near Nancy, between Epinal and Toul. This was the his-

toric route of all invaders of France before trols took place the same day at Longwy Alsace was French territory. Now we see and at Lunéville. The Germans accuse the the reason for the three German armies of French of having sent their military aviators invasion based on the geographical situation: across the frontier at these points before war the Army of the Meuse, the Army of the was declared, but the French deny it. Moselle, and the Army of the Rhine, all converging, in the final strategy, on Paris.

*The Germans  
Occupy  
Luxembourg*

The operations of the Army of the Meuse would become known to the world naturally when it reached Belgium, the Army of the Moselle when it, perforce, invaded Luxemburg. The Army of the Rhine, on the other hand, would naturally wait behind the fortifications of Metz and Strassburg until the other two had broken into French territory, since the entrance to France at Nancy is practically impossible while the French hold the fortresses. Ever since 1870, from Switzerland to Luxemburg, the border has been lined with stupendous French fortifications heavily guarded. The German General Staff knew that, although there were modern forts of great strength some miles back of the Belgium-Luxemburg border, it would be possible to enter through these neutral states and outflank the impregnable defenses along the Franco-German boundary itself. To do this outflanking, however, it would be necessary for the Germans to break their treaty obligations by disregarding the neutrality of Belgium and Luxemburg. What had been foreseen actually happened. On August 2 the German advance guard entered Luxemburg and occupied the principality. It should not be forgotten, when criticizing the Germans for claiming the right to pass through Luxemburg, that the railroads of the Grand Duchy are owned by the Prussian state. To the protest of the Luxemburgers the German commander replied: "I know, but I have my orders."



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A BOUNDARY POST ON THE FRANCO-  
GERMAN FRONTIER WITH ITS  
GERMAN GUARD

sors closed all the channels of information except for such statements as they wished to publish, war correspondents were barred from the front, and an almost impenetrable curtain lowered over all Europe. The publication of news became largely a matter of clever conjecture.

*The Splendid  
Belgian  
Defense*

What we know, however, is that a series of engagements, some of them very sanguinary, beginning at Liège, on August 5, and centering

*And Invade  
Belgium*

To the Army of the Meuse was assigned the most difficult task.

On August 3 the German General in command sent a demand to the Belgian Government for permission to cross Belgian territory. This permission being refused, as we have already intimated, the German forces formally invaded Belgium and regarded that country henceforth as an enemy. It is undoubtedly true that the Germans did not want to fight in Belgium, but were anxious to cross that country to get to France as quickly as possible. It can be understood, therefore, that the Belgian resistance, which was conducted with great spirit and gallantry, had the effect of delaying the German advance, and of giving the French time to collect their armies of defense. At the moment the fighting began on the Belgian border a censorship, unequaled in recent history for its severity, was established in all European countries. The German cable,—the Azores-Emden line, as it is known,—was cut during the first few days of August, and Germany was isolated from the rest of the world. The British and French cen-

around that city for a week or more, resulted in a number of checks to the advance guard of the Germans, but could not stay the slow, patient, methodical advance of the Kaiser's armies. In these encounters the Belgians displayed a good deal of that brilliant pugnacity which has been their tradition since the time Julius Caesar wrote about his Gallic wars. The well-equipped and splendidly manned forts at Liège kept back the German legions for nearly a week. So gallant was the Belgian resistance and so much had it disconcerted the German plans that Emperor William, on August 8, through Queen Wilhelmina of the Netherlands, highly complimented King Albert on the valor of his people, promised the most considerate treatment of them, and full respect for their integrity if they would abandon their resistance to the march of German troops to France. King Albert, however, refused to be seduced from his position, and the Belgian people responded unitedly to his call for national defense. A special session of the parliament was called. All parties united, Emil Vandervelde, the famous Socialist leader, joining the cabinet.

*The Germans Battle with the Allies* Liège, the first fortified city in the path of the invading Germans, an important industrial and educational center, French-speaking and French-sympathizing, after sustaining four attacks in force by the Germans, was entered on August 7 and 8 by the troops of General von Emmich, the German commander, though the forts still held out. Confused reports of bloody battles and terrific losses at a number of places indicated on the map (on page 283) have come from Brussels but, owing to the censorship on the news from all authentic sources, were accepted with reserve. No doubt the Belgian artillery and the machine guns of their fortresses inflicted severe loss on the Germans. The vital point, however, is the admission of the German War Office that there was "somewhat of a delay due to the resistance at Liège." The Germans swept on in the direction of Brussels. By August 22 they had occupied Brussels without a fight, had partially invested Namur, and had swept on towards the defenses of Antwerp. Meanwhile, the Belgians had removed their seat of government from Brussels to Antwerp. As these pages had to be closed for the press (on August 22), it was evident, from the best sources of information available, that the Army of the Moselle had practically effected



GEN. JOFFRE, COMMANDER IN CHIEF OF THE FRENCH ARMIES, WHO HAS ALMOST THE POWERS OF A DICTATOR

its junction with the Army of the Meuse, and that a German united force of more than half a million men was advancing toward Northern France. Somewhere, on an extended line not far from the historic field of Waterloo, it was believed that the army of the allies, French, British, and Belgians, approximately equaling the Germans in strength, on a field of their own choosing, awaited the invaders.

*The French Invasion of Alsace*

While these huge battle lines were approaching each other in the north, General Joffre, the French Commander-in-Chief, with another large French force, was advancing into Alsace, and achieving certain successes, which, while without any apparently important effect on the larger operations of the war, raised the French troops and the French people generally to the greatest enthusiasm. By August 21 a number of the smaller Alsatian towns, including Mülhausen, "the German Sheffield," and Kolmar, were reported taken by the French forces, and the French advance had practically enveloped all French-speaking Alsace. At Kolmar, it was reported, a large force of Austrians came to the assistance of the German Army of the Rhine. The exact objective of French strategy in this respect could not be seen last month. It was evi-



THE FRONTIERS ALONG WHICH RUSSIANS AND SERVIANS ARE FIGHTING GERMANS AND AUSTRIANS

(The letters A, G, R, and S show positions of armies)

dent, however, that the sentiment and temper up her of the French people demanded the retaking August of Alsace at the earliest possible moment, that all As for the Alsatians themselves, they received the French troops with enthusiasm and tore up all the boundary posts. It may have been intended that, coincident with a successful arrival of the German advance from Belgium at the frontier of France, the French counter-offensive would be pushed into Germany beyond Alsace and this pressure would compel the German General Staff to weaken the great army operating toward Paris via Brussels.

*The Russian Advance Westward* Russia's mobilization was completed in scarcely more than half the time expected by the rest of Europe. On August 18 the Russian General Staff notified the French Foreign Office that mobilization was complete and the advance of the Czar's armies to the German and Austrian frontiers was in full swing. Over no part of the great European battle-field has the censorship been so strict as this line of contact between Teuton and Slav.

There had been, up to the middle of last month, many reports of advance made by the German and Austrian forces, with vague statements of battles, in which either side was victorious or defeated, according to the source of the report. Accounts of engagements between Servians and Austrians, in which the former claimed victory, ceased about the middle of the month, and it was rumored that Montenegro, having joined her forces with those of Serbia, had crossed the boundary and invaded Bosnia with the object of raising the Serb subjects of Franz Joseph in revolt. It was stated, on the one hand, that a vast Austrian army had begun operations to crush Serbia, and, on the other, that most of the Austrian troops had been withdrawn from the Balkan frontiers for service against Russia. There was reported to be considerable difficulty in so arranging the units of the Austro-Hungarian army that the Slavs would not be in the first line of encounter with their Slavic brethren under the Russian eagle. To Austria, it was believed, had been assigned the general task of holding back the Russians until Germany could dispose of France and her allies in the west and bring forces to the eastern frontier. By 20 it was evident from the despatches along the Russo-German and Russo-Austrian boundary the Czar's armies were in touch with the forces of the two Kaisers.

#### *The War on the Water*

Great Britain's aims in the war were soon seen to be twofold.

"The best defense is attack" has always been the British motto. English policy, therefore, developed along these two lines: Seek out the German fleet and destroy it, and send an army into France to help the French and Belgian allies to withstand the German invasion. So certain was the world that the departure of the British fleet under sealed orders, on August 4, meant a great battle in the North Sea at an early date that, despite the censorship and repeated denials from London that an engagement had taken place, the newspaper press of this country all big naval battle off England's east coast. Judging what the British and German navies were doing by the fate of German commerce



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GENERAL FRENCH,  
HEAD OF THE ARMY



Photograph  
by Paul Thompson

ADMIRAL JELLCOE,  
COMMANDER OF THE FLEET



#### BRITAIN'S WAR MINISTER, KITCHENER, AND HIS FIGHTING COMMANDERS ON LAND AND SEA

throughout the world and certain reports Sea Fleet,—guarded the exit of the Kiel from the Baltic, the waiting world, last Canal. In the Baltic, the Kaiser's ships of month, worked out the situation this way: war were reported to have attacked and Britain meant to drive German commerce sunk several Russian warships, and to have from the ocean, make the Atlantic safe for bombarded four Russian ports, including the passage of British, French, and neutral Libau. During the first week of hostili-commerce, and then either hold the Germans ties one English cruiser, the *Amphion*, was in the Baltic or go in after them. Before sunk by a mine. In the Mediterranean, the war was a week old more than thirty of the German cruiser *Panther*, which, it will be remembered, brought on the Moroccan crisis at Agadir three years ago, shelled one companies, were interned in neutral harbors, of the Algerian towns, but was afterwards chiefly in this country, while a number of other German merchantmen had been reported captured or destroyed on other waters.

On August 12, the British cruisers, the *Goeben* and the *Breslau*, pursued by the French, fled into the neutral harbor of Constantinople. They were after-

*The Atlantic "Open"*

of New York that the Atlantic "lanes" were open. Later the London authorities declared that the Pacific was "open and safe." Meanwhile, there was no news from the North Sea. The British Home Fleet,—sixty vessels of war, against thirty of the German High-



THE NORTH SEA, THE KIEL CANAL, AND THE BALTIc

wards purchased by the Turks against the Czar's government to the Poles of Europe, if the members of that oppressed nation, still subject to Russia, remain loyal and those in Germany and Austria do not oppose her. On August 15, the Grand Duke Nicholas, commander-in-chief of the Russian army, addressed a manifesto to "all Poles," appealing for their loyalty and promising in return complete autonomy with the free use of their language and religious services. In the document, signed by the Czar himself and all the Russian Grand Dukes, these noble lines were found:

The hour has sounded when the sacred dream of your fathers may be realized. A hundred and fifty years ago the living body of Poland was torn to pieces, but her soul survived, and she lived in hope that for the Polish people would come an hour of regeneration and reconciliation with Russia.

The Russian Army brings you the solemn news of this reconciliation, which effaces the frontiers severing the Polish people, whom it unites conjointly under the sceptre of the Czar of Russia. Under this sceptre Poland will be born again, free in her religion, her language, and autonomous.

Russia expects from you only the loyalty to which history has bound you. With open heart and a brotherly hand extended, great Russia comes to meet you.



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#### POPE PIUS X, WHO DIED LAST MONTH

vari has been already referred to. On August 18, the Russian Government demanded permission from Turkey to get her warships out of the Black Sea through the Dardanelles.

*Where Teuton met Slav* The stern business of war on the French frontier last month tended to obscure for some time the significant developments of the contests which were taking place throughout Slavdom. The readers of American newspapers had heard of Servians winning victories over Austria, of Montenegrins capturing Adriatic ports and inciting Bosnian Serbs to revolt. Despite the censorship (nowhere so strict as over southeastern Europe) we had learned of revolts by Austria's Slav subjects when they were being led against their brothers by race in the Russian army. There had also reached this country vague rumors of fine promises made by the government at St. Petersburg to the Jews of the Czar's empire if they would remain loyal to Russia, and of great things in store for the Finnish people when Russian arms had triumphed.

*Russia's Promises to the Poles* The most dramatic outcome, up to the present, of Russia's war against the German powers has been the appeal and promise made by the

*War Measures on a Large Scale* In England the crisis found a united cabinet, but only after the resignation of the aged John Morley, one of her best-known "pacifists," and John Burns, one of her most resolute opponents of war under any circumstances. Ulster and the Nationalists,—so Mr. Redmond agreed with Sir Edward Carson,—will "march shoulder to shoulder against Britain's enemy,"—even if the Irish in the United States are "praying for Germany." Britain's stern preparations for the conflict were indicated by the appointment, on August 4, of Field Marshal Earl Kitchener to be Secretary of State for War. Britain, as well as several of the continental countries not already owning the railroads, at once took over the control of these lines. These governments also assumed the supervision over the gathering of the harvests and issued strict regulations regarding the prices of foodstuffs. Soon after the Germans invaded Belgium, the governments of Paris and Brussels came to an agreement that their movements and resources should be united and that for the purposes of the war France and Belgium should be regarded as one country. The first victim of the war, the eminent peace-lover and leader of France's Socialist army, Jean Jaurès, was assassinated on July 31. Of his career and achievements we speak on another page this month.

*Death of Pope Pius X* The war's most illustrious victim up to the middle of August was the Roman Pontiff. Pope Pius X, who had been suffering for a year or more from an obstinate case of bronchitis and the infirmities due to his nearly eighty years, passed away quietly on August 20. Seldom, if ever, has the title, supreme in the Roman Catholic Church, of "His Holiness" been more justly and fitly applied than to the gentle "Papa Sarto," who, in 1903, was chosen Pope. At the time of his selection, we published in this magazine a sketch of this obscure but beloved prelate of Venice. On several occasions we have printed articles on his life and the notable events in the world's history during his pontificate that have grown out of the relations of the Roman Catholic Church to the problems of national development in several European countries. Pope Pius was very much depressed and saddened by the European

war. On August 17, when the Emperor Franz Joseph, of Austria-Hungary,—the largest and most influential Roman Catholic country in the world,—begged the pontiff to bless the Austrian army and navy, the Pope replied that "all the belligerents on all sides were equally his children," and that, therefore, he was "unable, while he was fervently praying for peace, to invoke the Divine blessing on or to intercede for the triumph of any particular nation." In an exhortation addressed to the entire world several days before, "Pius X, Pontifex Maximus," said:

In the midst of this universal confusion and peril we feel and know that both fatherly love and apostolic ministry demand of us that we should, with all earnestness, turn the thoughts of Christendom thither "whence cometh help," to Christ, the Prince of Peace, and the most powerful mediator between God and man. . . .

Regardless of creed or denominational belief, the world records its high respect for the life and character of Pius X.

## THE WAR DOCUMENTS AND CLAIMS

THE official justifications of the actions taken by the governments of the European nations at war are found in a number of important documents issued from the different capitals, and in statements by rulers, premiers, and foreign ministers.

The Austrian ultimatum presented to Servia on July 23, which was the diplomatic event that started the conflagration, recounted the history of Austro-Servian relations since the annexation of Bosnia in 1909, charged that Servia had done nothing to repress anti-Austrian movements since that time, including "terrorism, outrages, and murders," stated that Austria could not "pursue any longer the attitude of forbearance," demanded that Servia publish in its official journal a complete apology, disavow and suppress the anti-Austrian propaganda, and punish the conspirators believed to have been implicated in the murder of Franz Ferdinand and his wife. Finally Servia was called upon

To accept the collaboration in Servia of representatives of the Austro-Hungarian Government in the suppression of the subversive movement directed against the territorial integrity of the monarchy.

This is the only clause of the note to which Servia objected. In reply, Belgrade agreed to all the demands made by Austria, except that regarding Austrian "collaboration":

The Royal Government must confess that it is

not quite clear as to the sense and object of the demands of the Imperial and Royal Government that Servia should undertake to accept on her territory the collaboration of delegates of the Imperial and Royal Government, but it declares that it will admit whatever collaboration which may be in accord with the principles of international law and criminal procedure, as well as with good neighborly relations.

On July 25, the Austrian Foreign Office denounced Servia's reply as "filled with the spirit of dishonesty," and "quite unsatisfactory." Austria's declaration of war upon Servia followed.

The Russian attitude is set forth in a number of personal letters from Czar Nicholas to Kaiser Wilhelm, and in a manifesto issued by the Czar to his people on August 3. The manifesto said:

The fraternal sentiments of the Russian people for the Slavs have been awakened with perfect unanimity and extraordinary force in these last few days, when Austria-Hungary knowingly addressed to Servia claims unacceptable for an independent State. . . .

Forced by the situation thus created to take necessary measures of precaution, we ordered the army and the navy put on a war footing, at the same time using every endeavor to obtain a peaceful solution.

Contrary to our hopes in our good neighborly relations of long date, and disregarding our assurances that the mobilization measures taken were in pursuance of no object hostile to her, Germany demanded their immediate cessation. Being rebuffed in this demand, Germany suddenly declared war on Russia.

To-day it is not only the protection of a country related to us and unjustly attacked that must be accorded, but we must safeguard the honor, the dignity, and the integrity of Russia and her position among the great powers.

Germany's statement of her reasons for war was given in a speech by Chancellor von Bethmann-Hollweg to the Reichstag on August 4. Insisting that from the very outbreak of the Austro-Servian conflict, Germany worked for peace, the Chancellor said:

We had deliberately abstained up to that time for the sake of the peace of Europe from calling a single reservist to the colors. Should we have waited patiently longer until the Powers between which we are wedged in were in a position to choose the time when to deliver their blow? To have exposed Germany to this danger would have been criminal. Therefore, on July 31, we demanded of Russia the demobilization of her troops—her solemn assurances could yet preserve the peace of Europe. The Imperial German Ambassador in St. Petersburg was instructed to declare to the Russian Government that in case of rejection of our demands we should be obliged to declare a state of war.

When the allotted time expired the German Emperor was compelled to order the mobilization of our forces. We were compelled at the same time to make sure what attitude France would assume in the situation. To our definite question whether she would remain neutral in a German-Russian war she answered that she would do what her interests bade her.

Nevertheless, the German Emperor gave orders that the French frontier should be respected absolutely. These orders were strictly followed without exception. France, which mobilized at the same hour that we did, told us that she would maintain a zone of ten kilometres back from the German frontier, but what really took place was that the French aviators cast bombs upon the cavalry and patrols entered the imperial lands (Alsace-Lorraine). France thereby broke the peace and actually attacked us, though a state of war had not yet been proclaimed.

Summing up he concluded:

We knew France was ready for an invasion. France was able to wait; we were not. A French aggression into our flank in the lower Rhine would have been disastrous, and we therefore were compelled to overrule the legitimate protests of the Luxembourg and Belgian Governments. We shall repair the wrong we are doing as soon as our military aims have been reached.

The Belgian "call to arms," issued by King Albert, on August 7, said:

Without the least provocation on our part, our neighbor, proud of its forces, has torn up treaties bearing its signature, and has broken in upon the territory of our fathers because we refused to forfeit our honor.

The substance of the British point of view is given in a statement made by Sir Edward Grey in the House of Commons, on August

6, and afterwards published, with all the other official documents, in a "White Book." Sir Edward Grey said (on July 30):

His Majesty's Government cannot for a moment entertain the [German] Chancellor's proposal that they should bind themselves to neutrality on such terms.

What he asks us in effect is to engage to stand by while French colonies are taken and France is beaten, so long as Germany does not take French territory as distinct from the colonies.

From the material point of view, such a proposal is unacceptable, for France, without further territory in Europe being taken from her, could be so crushed as to lose her position as a great power, and become subordinate to German policy.

Altogether, apart from that, it would be a disgrace for us to make this bargain with Germany at the expense of France. . . .

The Chancellor also in effect asks us to bargain away whatever obligation or interest we have as regards the neutrality of Belgium. We could not entertain that bargain either.

Britain's declaration of war followed.

No official statement of the French position had been issued up to the middle of last month,—simply the Republic's position: "France will consult her own interests," and then the declaration of war.

Japan's own statement of her reasons for demanding Germany's withdrawal from Kiao-chau is given in her ultimatum, sent on August 16:

We consider it highly important and necessary in the present situation to take measures to remove the causes of all disturbances of the peace in the Far East, and to safeguard the general interests as contemplated by the agreement of alliance between Japan and Great Britain.

In order to secure a firm and enduring peace in Eastern Asia, the establishment of which is the aim of the said agreement, the Imperial Japanese Government sincerely believes it to be its duty to give the advice to the Imperial German Government to carry out the following two propositions. (Already given in our news pages.)

President Wilson's proclamation of American neutrality follows the usual phraseology of such declarations, and enumerates the acts which are forbidden. This was issued on August 4, and reissued as new nations entered the conflict. The next day (August 5) the President sent the following "tender of good offices":

As official head of one of the Powers signatory to The Hague Convention, I feel it to be my privilege and my duty, under Article Three of that Convention, to say to you in a spirit of most earnest friendship that I should welcome an opportunity to act in the interest of European peace, either now or any other time that might be thought more suitable, as an occasion to serve you and all concerned in a way that would afford me lasting cause for gratitude and happiness.

# RECORD OF EVENTS IN THE WAR

(From July 23 to August 22, 1914)

## The Last Week of July

July 23.—Austria demands of Servia the punishment of accomplices in the murder of Archduke Franz Ferdinand, the suppression of anti-Austrian societies in Bosnia, and the official disavowal of Servian connection with anti-Austrian propaganda; an answer is demanded by 6 p.m. on July 25.

July 25.—Servia agrees to all the demands of Austria-Hungary except that which stipulated that Austro-Hungarian officials should participate in the inquiries; the reply is rejected as insufficient.

The Russian Government lets it become known that it will not permit Austria-Hungary to make war upon Servia on a pretext.

July 26.—A semi-official statement at Berlin indicates that Germany has warned other powers not to interfere with Austro-Hungarian plans to discipline Servia.

July 28.—Austria declares war upon Servia.

July 29.—The Czar of Russia issues an imperial ukase ordering a partial mobilization of reservists.

Austria begins hostilities against Servia by bombarding Belgrade.

July 31.—Germany peremptorily demands that Russia cease its menacing mobilization.

An imperial decree proclaims a state of war throughout the German Empire.

Jean Jaurès, the French Socialist leader, is assassinated by a crank because of his anti-militarist views.

Holland, Belgium, and Switzerland order general mobilization of their armies in order to protect frontiers and maintain neutrality.

The New York Stock Exchange closes its doors for the first time since the panic of 1873; all other world markets had previously suspended, and the flood of selling orders from Europe threatened American values.

## The First Week of August

August 1.—Germany declares war on Russia, following the refusal of the Russian Government to stop mobilizing its reserves.

Germany asks to know immediately the intentions of France in the event of war between Germany and Russia.

The French Cabinet Council orders a general mobilization of the French army.

The Italian Government notifies the German Ambassador at Rome that it does not regard its obligations as a member of the Triple Alliance as compelling it to assist Austria-Hungary and Germany under the circumstances which brought on the present conflict.

The transatlantic sailings of German vessels are canceled.

August 2.—German troops enter the neutral duchy of Luxemburg and advance toward the French frontier; the French Government is in-

formed that German troops have invaded French territory.

Germany demands to know whether Belgium would permit the free passage of troops across Belgian territory; Belgium refuses permission, and declares that she will defend her neutrality.

August 3.—The German Ambassador to France demands and receives his passports, and the French Ambassador to Germany is thereupon instructed to ask for his.

Official announcements at Berlin state that Germany is at war with Russia because of a Russian attack on German territory, and that France's unsatisfactory reply to Germany's note, together with the mobilization of the French army, make the outbreak of war between Germany and France imminent.

The French Premier states that French troops had been withdrawn ten kilometers from the German frontier, and that the fact of German aggression on French territory is incontestable.

Germany informs Belgium that she will carry out by force her plans to approach the French frontier through Belgian territory; German troops enter Belgium at Verviers.

King Albert of Belgium, appeals to King George, of England, for diplomatic intervention to safeguard the neutrality of Belgium.

Italy formally proclaims her neutrality in the European conflict.

August 4.—Great Britain declares war on Germany upon the summary rejection of the demand that Germany respect the neutrality of Belgium.

The German Ambassador at Brussels informs the Belgian Government that a state of war exists between Germany and Belgium.

A special session of the German Reichstag is opened by the Kaiser in the royal palace at Berlin; a bill is passed appropriating \$1,252,000,000 for war purposes.

President Wilson signs a formal proclamation of neutrality on the part of the United States.

The British House of Commons votes an emergency appropriation of \$525,000,000.

August 5.—President Wilson, as official head of one of the powers signatory to the Hague Convention, informs the rulers of Germany, Austria-Hungary, Russia, France, and Great Britain that he should welcome an opportunity to act in the interest of European peace either now or at any other time.

Premier Okuma, of Japan, states that if the war is carried to Asiatic waters Japan will assist England in accordance with agreement.

The German army begins an attack on the fortifications of Liège, Belgium, which lies between them and the French frontier.

Lord Kitchener becomes a member of the British cabinet, as Secretary of State for War.

The British cruiser *Amphion* destroys the German mine-layer *Koenigin Luise*, in the English Channel.

The Austrian bombardment of Belgrade, the Servian capital, is renewed.

The cable between Germany and the United States is cut somewhere east of the Azores, and all direct communication is stopped.

August 6.—The British cruiser *Amphion* is sunk by contact with a mine; 131 men are lost.

The British House of Commons passes a second war budget of \$500,000,000, and grants an army increase of 500,000.

Austria-Hungary formally declares war on Russia.

August 7.—The German forces attacking Liége request a twenty-four hour armistice after three days' assault in large numbers on the strong fortifications.

Montenegro declares war on Austria.

Germany and Austria renew pressure on the Italian Government for assistance in the war, promising (it is reported from Rome) territorial compensation.

August 8.—The first British troops are landed on the French coast, for the relief of the Belgian army at Liége.

French troops across the German frontier into Alsace and Lorraine, temporarily occupying Altkirk and Mülhausen and two mountain passes.

The Portuguese Government announces that it will actively support Great Britain, in accordance with an old treaty.

Two Austrian cruisers bombard and destroy Antivari, the Montenegrin seaport.

#### *The Second Week of August*

August 9.—A cruiser squadron of the British fleet repels an attack by German submarines, and sinks the *U 15*.

The German forces occupy the city of Liége, but the forts still hold out.

An agreement is reached between Norway and Sweden to take steps to maintain the neutrality of both countries.

August 10.—The French Government recalls its Ambassador to Austria-Hungary because of insufficient explanations regarding the sending of Austrian troops into German territory near the French frontier.

The Montenegrin army enters Albania and takes Scutari; the Austrian province of Dalmatia is also entered and several towns are occupied.

August 11.—The Belgian Government states that the Germans have lost, in the fighting around Liége, 2000 dead, 20,000 wounded, and 9700 prisoners.

August 12.—Great Britain severs diplomatic relations with Austria-Hungary, and declares that a state of war exists.

Montenegro formally declares war on Germany.

The first large engagement of the war to be held in the open takes place around Haelen, in Belgium, and results in the repulse of the German forces who had attacked entrenched Belgians.

The French war office announces that French and German troops are in contact along almost the entire front of 248 miles, from Holland to Switzerland.

The British consul-general at New York is informed by Admiral S' Christopher Cradock, of the cruiser *Essex*, that western Atlantic waters have been cleared of German cruisers as far south as Trinidad.

August 13.—The German cruisers *Goeben* and

*Breslau*, which sought refuge in the Dardanelles, are reported purchased by Turkey.

August 15.—It becomes known that the Czar of Russia and the Grand Dukes have promised autonomy to Poland as a reward for loyalty in the present conflict.

Secretary Bryan announces that the Administration regards the lending of money to belligerent powers as inconsistent with the true spirit of neutrality.

#### *The Third Week of August*

August 16.—Japan demands that Germany shall immediately withdraw her warships from Japanese and Chinese waters, and deliver to Japan, without condition or compensation, the German possessions of Kiau-chau, with a view to their eventual restoration to China; an answer is demanded by not later than noon on August 23.

The Austrian cruiser *Zenta*, which had participated in the bombardment of Antivari, Montenegro, is sunk by French warships; 201 of the crew lose their lives.

The German Emperor leaves Berlin for the front.

August 17.—The seat of the Belgian Government is moved from Brussels to Antwerp as the German line gradually circles around Liége and forces its way into the interior.

The British Government announces that it is understood that Japan's offensive action will be limited to the China seas and German territory on the continent of eastern Asia.

August 18.—The Servian Premier states that an Austrian attacking army has been routed with a loss of 15,000 men, killed, wounded, and captured.

It is officially announced that the British expeditionary force (rumored to be 100,000 men) has been landed safely on the French coast.

The Russian General Staff announces that the general mobilization has been completed, and that the advance has begun.

August 19.—Reports from various sources indicate that the forts at Liége have either been taken by the German troops or destroyed by the retreating Belgians; Louvain, lying between Liége and Brussels, is occupied by German troops.

The Canadian Parliament endorses the participation of England in the European conflict, and makes preparations to send 20,000 men and appropriate \$50,000,000.

August 20.—A German army corps arrives at Brussels, the capital of Belgium, and occupies the city without resistance.

August 21.—German military commanders, it is reported, have levied a war tax of \$40,000,000 upon Brussels and \$10,000,000 upon Liége.

August 22.—The United States transmits to Japan its understanding that Japan's purpose in acting against Germany in the Far East is not to seek territorial aggrandizement in China, and that the United States should be consulted before further steps are taken outside the territory of Kiau-chau.

The German line passes Ghent and approaches Ostend; the main body begins a siege of the strongly fortified city of Namur.

On the 20th day of the German invasion of Belgium as a short cut to France, the German troops are within striking distance of the whole Franco-Belgian frontier.

# RECORD OF OTHER EVENTS

(From July 20 to August 20, 1914)

## PROCEEDINGS IN CONGRESS

July 20.—In the Senate, the Committee on Post-Offices and Post Roads favorably reports a measure authorizing a bond issue of \$500,000,000 for federal highway improvements through State co-operation.

July 21.—In the House, Mr. McDermott (Dem., Ill.), whose censure had been recommended by the committee which investigated lobbying practices, announces his resignation.

July 22.—In the Senate, the Clayton anti-trust bill is favorably reported, with amendments, from the Committee on Judiciary.

July 23-25.—The Senate discusses the Federal Trade Commission bill.

July 27.—The Senate resumes consideration of the Federal Trade Commission bill.

August 1.—The Senate adopts the amendment of Mr. Cummins (Rep., Ia.), making final the orders of the proposed Trade Commission relating to unfair competition.

August 3.—In the Senate, a bill is passed authorizing the use of United States naval vessels to carry passengers, mail, and freight to and from South America and Europe. . . . The House adopts a bill aimed to assist American trade interests in the European crisis by liberalizing existing laws so as to permit the immediate registry of foreign-built ships under certain conditions.

August 4.—Both branches unanimously adopt an amendment to the Federal Reserve act whereby the Secretary of the Treasury is empowered to issue additional bank currency in such amount as may be necessary to protect the business situation; it is estimated that more than \$1,000,000,000 may be issued.

August 5.—Both branches unanimously approve an appropriation of \$2,500,000 for the relief of stranded Americans in Europe. . . . The Senate, by vote of 53 to 16, passes the bill creating a Federal Trade Commission; two Democrats vote against the measure, and twelve Republicans for it.

August 11.—The Senate passes, with amendments, the House bill authorizing the admission of certain foreign-built ships to American registry.

August 13.—The Senate ratifies peace treaties negotiated by Secretary Bryan with eighteen countries; consideration of the Clayton omnibus anti-trust bill is begun.

August 17.—The Senate rejects the conference report on the Ship Registry bill, recedes from its amendments, and adopts the measure as it passed the House; foreign-built vessels engaged in oversea trade are admitted to American registry.

August 19.—In the House, the Administration's measure is introduced which would provide for the insurance by the Government of American vessels and cargoes against loss or damage by the risks of war.

August 20.—In the House, the bill providing ultimate independence for the Philippine Islands is favorably reported from committee.

## AMERICAN POLITICS AND GOVERNMENT

July 20.—The Interstate Commerce Commission recommends to Congress that railroads be prohibited from furnishing capital or credit for private enterprises, such as coal and oil properties.

July 21.—President Wilson directs the Attorney-General to begin civil and criminal proceedings against the New York, New Haven & Hartford Railroad Company and its directors, seeking the dissolution of an alleged unlawful monopoly of transportation facilities in New England.

July 22.—Colonel Roosevelt announces his support of former State Senator Harvey D. Hinman, who will seek the Governorship of New York as an anti-machine Republican.

July 23.—The Government's suit to dissolve the New Haven Railroad system is begun in the United States District Court at New York. . . . The President withdraws from the Senate his nomination of Thomas D. Jones, of Chicago, as a member of the Federal Reserve Board.

July 25.—In the Texas Democratic primary, James E. Ferguson defeats Thomas H. Ball for the nomination for Governor.

August 1.—The Interstate Commerce Commission, in a divided opinion, denies the request of the Eastern railroads for a general increase of 5 per cent. in freight rates; it allows certain increases in the territory between the Mississippi River and the Buffalo-Pittsburgh line.

August 4.—The President nominates Frederic A. Delano, of Chicago, as the final member of the Federal Reserve Board; Prof. Garrett A. Dropers, of Williams College, is nominated to be Minister to Greece. . . . Senator Bristow is defeated in the Kansas Republican primary by ex-Senator Charles Curtis. . . . Senator Stone (Dem., Mo.) and Senator Gore (Dem., Okla.) are renominated in their State primaries.

August 6.—Mrs. Woodrow Wilson, wife of the President of the United States, dies in the White House after a brief illness. . . . The United States cruiser *Tennessee* leaves New York with \$5,500,000 in gold for the use of stranded Americans in Europe.

August 10.—The members of the new Federal Reserve Board take the oath of office at Washington; the President designates Charles S. Hamlin to act as Governor of the Board.

August 11.—In the Ohio primaries Warren G. Harding (Rep.), Timothy S. Hogan (Dem.), and Arthur L. Garford (Prog.) are nominated for United States Senate; Governor Cox (Dem.) is renominated. . . . The New York, New Haven & Hartford Railroad Company and the Department of Justice reach an agreement upon the method of disposing of the Boston & Maine, and the Government's suit will be dropped.

August 12.—The International Harvester Company is declared to be a monopoly in restraint of trade, and its dissolution is ordered by the United States District Court at St. Paul.

August 13.—President Wilson takes steps, through various Government departments, to investigate and curb the sudden and unwarranted rise in the price of foodstuffs on account of the European war.

August 15.—The Panama Canal is formally opened to the commerce of the world; the Panama Railroad steamship *Ancon* passes through from the Atlantic to the Pacific in ten hours.

August 19.—The President nominates Attorney-General James C. McReynolds to be Associate Justice of the United States Supreme Court; and Thomas Watt Gregory, of Texas, to be Attorney-General of the United States.

#### FOREIGN POLITICS AND GOVERNMENT

July 20.—Ex-President Huerta leaves Mexico on a German warship.

July 21.—King George addresses the conferees whom he had summoned to discuss a possible compromise of differences over the Irish Home Rule question. . . . Ahmed Mirza, on his sixteenth birthday, is crowned as Shah of Persia. . . . Serious disturbances occur at St. Petersburg in connection with a strike of 100,000 workers protesting against the Government's treatment of strikers at Baku; five of the workmen are killed.

July 24.—Premier Asquith announces in the British House of Commons the failure of the conferences over the Irish situation.

July 26.—Four members of a mob in Dublin are killed by police and soldiers during a riot which followed the interception of a consignment of rifles for the Irish Nationalist Volunteers.

August 10.—Provisional President Carbajal, of Mexico, decides to resign, having failed to arrange an amicable surrender of the Government to the Constitutionalists; the Chamber of Deputies votes to dissolve.

August 13.—The Mexican federal army, and the Government officials, leave Mexico City.

August 15.—The Mexican Constitutional army enters the capital city without opposition.

#### INTERNATIONAL RELATIONS

July 24.—Secretary Bryan's arbitration treaties with Argentina, Brazil, and Chile are signed at Washington.

August 5.—A treaty is signed at Washington, by the terms of which the United States agrees to pay Nicaragua \$3,000,000 for the perpetual right to construct an interoceanic canal and a naval base.

August 14.—Five hundred American sailors are landed at Bluefields, with the consent of the Nicáraguán Government, to preserve order.

#### OTHER OCCURRENCES OF THE MONTH

July 22.—The International Eucharistic Congress is opened at Lourdes, France.

July 28.—Mme. Caillaux, wife of the former French Premier, is acquitted by a jury in Paris of the charge of murdering Gaston Calmette, editor of *Figaro*.

July 29.—The Cape Cod Canal, shortening by seventy miles the distance between Boston and southern ports, is formally opened.

July 30.—Aviator Gran flies across the North Sea from Norway to Scotland; the flight of 315 miles is made in 4 hours and 10 minutes.

August 3.—The Western railroads and their engineers agree to President Wilson's plea that they arbitrate their differences rather than permit a strike during world-wide depression.

August 5.—Thirty-nine persons are killed in a head-on collision between a passenger train and an interurban car near Joplin, Mo.

#### OBITUARY

July 19.—Rear-Admiral Francis Munroe Ramsay, U. S. N., retired.

July 20.—James McCutcheon, the New York liner merchant, 72.

July 23.—Prince Vladimir Petrovitsch Mestchersky, the Russian novelist and editor, 69.

July 24.—Brig. Gen. Camillo Cassati Cadmus Carr, U. S. A., retired, a veteran of the Civil and Spanish wars, 72. . . . James Daniel Richardson, former Representative from Tennessee, 71.

July 25.—Charles Henrotin, first president of the Chicago Stock Exchange, 71.

July 27.—Rev. Dr. Horace Carter Hovey, noted for his discoveries and explorations of American caves and grottoes, 81. . . . Augustus Smith, oldest graduate of Yale University, 99.

July 29.—Prof. Paul Reclus, the noted French surgeon, 67.

July 30.—Prof. Francis Humphreys Storer, a prominent chemist and former dean of the Bussey Institution at Harvard, 82.

July 31.—Jean Leon Jaurès, the French Socialist leader, 54.

August 2.—Prof. Ralph Charles Henry Caterall, head of the department of modern European history at Cornell University, 48.

August 4.—Rear-Admiral Royal Bird Bradford, U. S. N., retired, 70. . . . William Henry Beatty, Chief Justice of the Supreme Court of California, 76.

August 6.—Mrs. Ellen Louise Axson Wilson, wife of the President of the United States, 51. . . . François Elie Jules Lemaitre, the noted French dramatic critic, 61. . . . Prof. Robert Francis Harper, professor of Semitic languages at the University of Chicago, and noted Assyriologist, 50.

August 8.—Col. John Schuyler Crosby, former Governor of Montana, 75. . . . Dr. Michael W. Raub, a noted Pennsylvania naturalist, 78.

August 9.—Dr. Roque Saenz Pena, President of the Republic of Argentina, 63. . . . Sir Edward Anwyl, the noted Welsh educator and author, 48.

August 10.—Sewell Cushing Strout, formerly Associate Justice of the Supreme Court of Maine, 87. . . . John Butler Smith, ex-Governor of New Hampshire, 76. . . . Major-Gen. William S. McCaskey, U. S. A., retired, 71.

August 12.—Dr. Albert Smith Bickmore, first curator of the American Museum of Natural History, in New York, 75. . . . John Philip Holland, inventor of the submarine boat, 72. . . . Pol Henri Plangon, the French opera singer, 60.

August 15.—Major Joseph P. Pangborn, of Baltimore, an authority on transportation methods, 70.

August 17.—Lieut.-Gen. Sir James M. Grierson, of the British Army, 55.

August 20.—Pope Pius X, 79. . . . Rev. Francis Xavier Wernz, General of the Society of Jesus, 71.

## WARLIKE EUROPE IN PICTURES



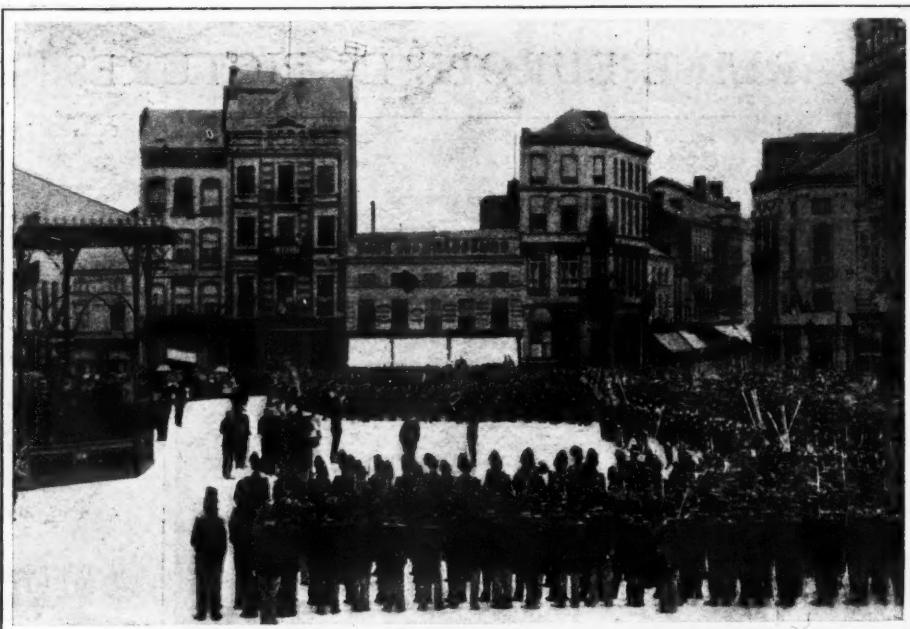
Photograph by Brown Brothers

**THE GERMAN EMPEROR, WITH HIS CHIEF OF STAFF, VON MOLTKE  
(IN CENTER), STUDYING A MILITARY MAP ON THE FIELD**



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**THE GERMAN EMPEROR, WITH HIS MILITARY STAFF, ON THE FIELD**



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**BELGIAN TROOPS LINED UP IN THE PUBLIC SQUARE IN LIÉGE**

*The Belgian troops, by their stout resistance at Liége, not only earned much commendation, but delayed the general advance of the Germans toward France.*



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**FIRST REGIMENT BELGIAN CHASSEURS RETURNING FROM SENTRY DUTY TO BARRACKS AT LOUVAIN,  
BELGIUM**



Photograph by International News Service, New York

**KING ALBERT, OF BELGIUM, WITH A GROUP OF HIS OFFICERS**

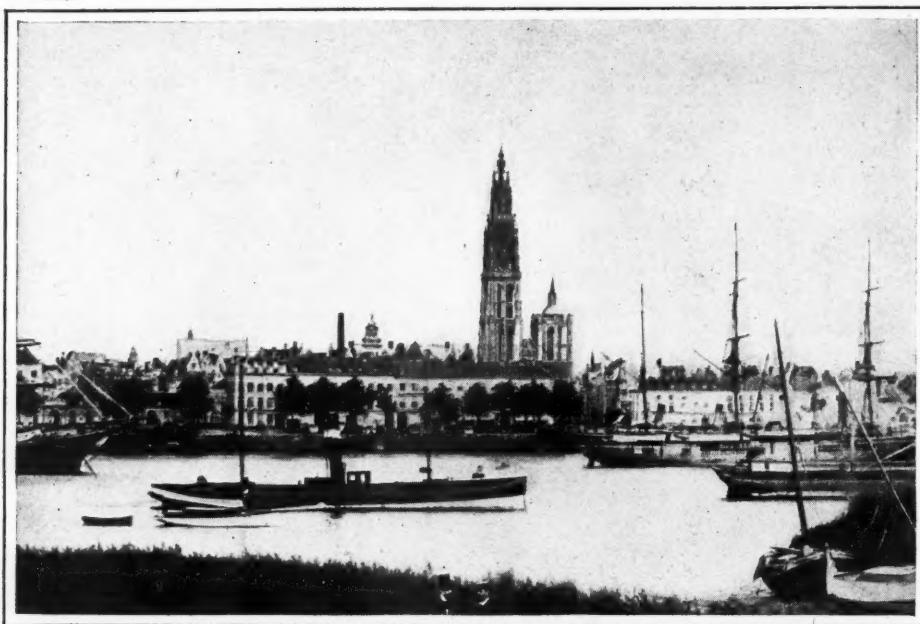
*The energetic young King Albert, of Belgium, has been in active command of his country's forces in their recent conflicts with the Germans.*

*Namur is another fortified city on the road of the German advance toward France. It is well within the initial war zone, and the forces of both Germans and allies have in fact been in the immediate vicinity for some weeks. Like Liége, it is situated on the river Meuse, lying somewhat between, but south of both Brussels and Liége. Its defenses are considered almost impregnable, and a determined struggle is looked for here.*



Photograph by Bain News Service, New York

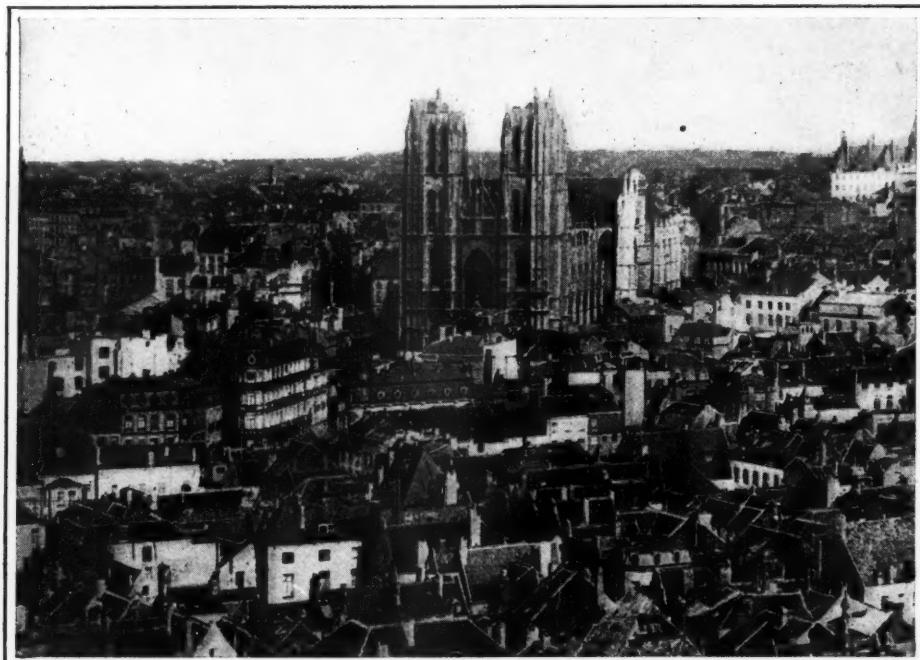
**A VIEW OF NAMUR, BELGIUM, SHOWING THE CITADEL AND THE BRIDGE OVER THE MEUSE RIVER**



Photograph by the Bain News Service

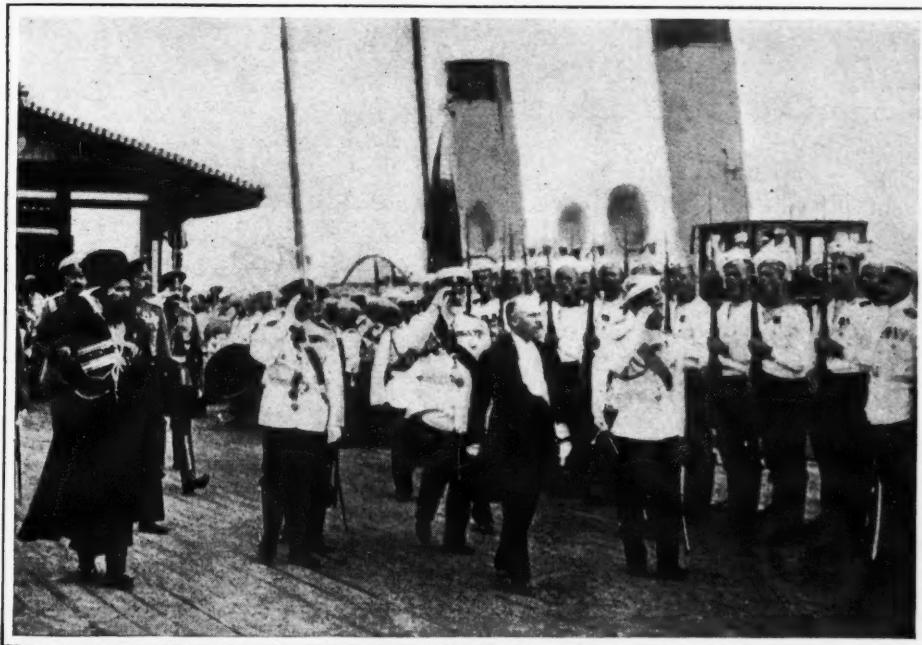
## A VIEW OF THE CITY OF ANTWERP

*The German army entered Brussels, the Belgian capital, on August 20, without meeting with any resistance, the Belgian seat of government and all the official records having previously been removed to the strongly fortified city of Antwerp.*



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## PANORAMA OF THE CITY OF BRUSSELS, BELGIUM



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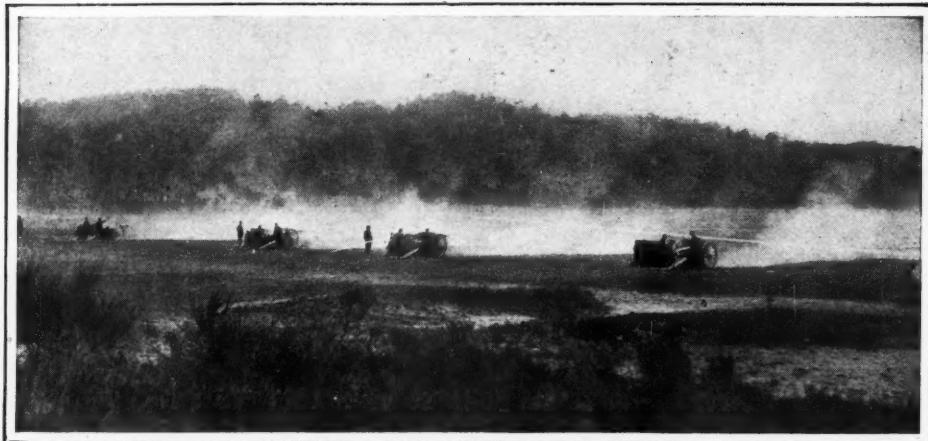
PRESIDENT POINCARÉ, OF FRANCE, ON OCCASION OF HIS RECENT VISIT TO RUSSIA, INSPECTING RUSSIAN SAILORS IN COMPANY WITH THE CZAR

*In July the French President paid a formal visit to Russia. This was officially declared to be merely an exchange of courtesies between France and her ally. In Germany, however, it was generally regarded as having been made to consummate a Franco-Russian "plot" to attack her. Russia had, early in the year, openly demanded from her ally that the obnoxious three-year military law be passed. The Germans insist that this war is one of defense on their part against Russia and France.*



Photograph by Bain News Service

FRENCH SOLDIERS RESTING AFTER A MARCH



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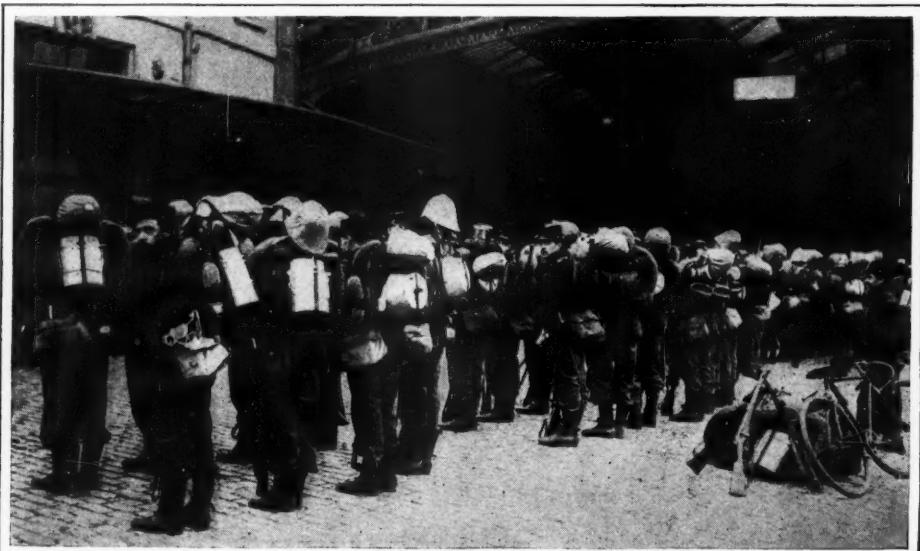
## FRENCH HEAVY ARTILLERY FIRING INSTANTANEOUS BATTERIES

*The mobilization of France's armies was made in a much shorter time than the rest of Europe expected, and this celerity, with the additional time gained by Belgium's spirited resistance to the German invasion, resulted in the assembling of practically*



THE FRENCH ORDER OF MOBILIZATION

*all the Republic's forces on her frontier before the Germans had actually reached French territory. The French heavy artillery is generally believed to be the best in the world. The infantry shown in the lower picture has the new uniform.*



Photograph by International News Service, New York

## FRENCH TROOPS AT LYONS, ABOUT TO ENTRAIN FOR THE GERMAN BORDER

The war strength of Great Britain being in her navy, it is the calling out of the naval reserves in Great Britain that corresponds to the mobilization of the



Photograph by International News Service, New York  
ENGLISH MARINES REPORTING FOR DUTY

forward during the early days of August with smoothness and unexpected rapidity. A thing much remarked on in connection with the English mobilization



Photograph by the American Press Association, New York  
PRESIDENT POINCARÉ, OF FRANCE, AND PRINCE EDWARD, OF WALES, INSPECTING FRENCH SAILORS



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KING GEORGE AND ADMIRAL CALLAGHAN INSPECTING THE SAILORS ON BOARD THE "NEPTUNE"

land forces on the continent, although it may be said the British navy is virtually always on a war footing. Reports from London indicate that the mobilization of British troops, regulars and "Territorials," went



Photograph by International News Service, New York  
ENGLISH TROOPS MARCHING THROUGH THE STREETS OF PORTSMOUTH TO EMBARK ON TRANSPORTS FOR BELGIUM

movements as well as those in some other countries is the strict secrecy of the whole proceeding. Men were notified to report to their headquarters, but when their regiments marched, and where, was unknown, even to their families.

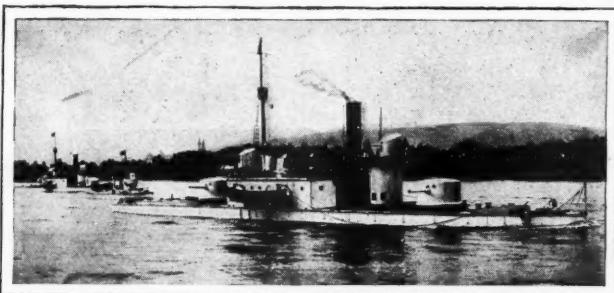


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EMPEROR FRANZ-JOSEPH, OF AUSTRIA, (IN FOREGROUND ON BLACK HORSE) WITH KAISER WILHELM (EXTREME LEFT OF PICTURE) AT MANEUVERS OF THE AUSTRIAN ARMY

*Here are the two allies,—the German Kaiser and Franz-Joseph of Austria,—attending some army maneuvers, the Emperor of the Dual Monarchy still an active horseman, in spite of his having exceeded the proverbial age limit of three score and ten.*

*The small war vessel in the picture is one of a type of Austria's gun boats which patrol the river Danube and keep watch over the Servian*



AN AUSTRIAN MONITOR GUNBOAT PATROLLING THE DANUBE AND COMMANDING BELGRADE

*frontier, with especial regard to Belgrade. The Servians quickly abandoned their capital on the outbreak of hostilities with Austria-Hungary.*



VIEW OF THE CITY OF BELGRADE, SERVIA

# EUROPE AT WAR

BACKGROUNDS AND MAINSPRINGS OF THE STRUGGLE

BY LOUIS E. VAN NORMAN

FOR the causes of the titanic struggle now of the four great moving causes of the present moving Europe, it is necessary to go war. The other three may be briefly set forth back a little into history.

Europe's political development, during the past four or five centuries, has been largely conditioned by what international law writers term the "continental conception." The Holy Roman Empire, with its claim for the dominance of the Emperor and the subordination of the other states, was followed by the independent sovereignty doctrine. This maintained that every nation was not only free and sovereign, but that it was equal to every other nation in the councils of the continent. This conception was succeeded, in the middle of the past century, by the idea of the "concert of Europe." It came to be believed that an agreement of the Great Powers,—which, since 1870, have been Great Britain, France, Russia, Germany, Austria, and Italy,—should determine the policies of the continent and keep the peace. Every dispute between nations, little or big, was considered as a continental matter by this "concert," or general council, which unitedly imposed its will.

## THE BALANCE OF POWER DOCTRINE

At the same time there was growing up the condition and doctrine known as the "balance of power." After the Congress of Vienna in 1815, which liquidated the Napoleonic conquests and settled the large lines of the map of Europe for more than half a century, the European nations assumed the point of view that any acquisition of power, territory, or population by any one of them entitled all the others to compensation, so that the relative strength and importance might not be disturbed. Hence we find, after every important war since Napoleon's time, the practise of the European "concert" to take part in the settlement of the terms of peace and so adjust the gains of the victor and the losses of the vanquished that the much-discussed "balance" might not be upset. Any threatened disturbance of this set. Any threatened disturbance of this century, however, there came about a shifting balance has always had in it the seeds of a general conflict.

The balance-of-power fetish has been one because of a vexatious tariff war, became

the obstacles it presents to many needed social and economic reforms; the age-long world rivalry between Teuton and Slav; and the commercial nations for the markets of Asia. The preponderance acquired by Prussia through her victory over France in 1870-71 and its increase by the alliance of the German Empire with Austria and Italy has resulted in those European alliances which have made the alignment in the present conflict.

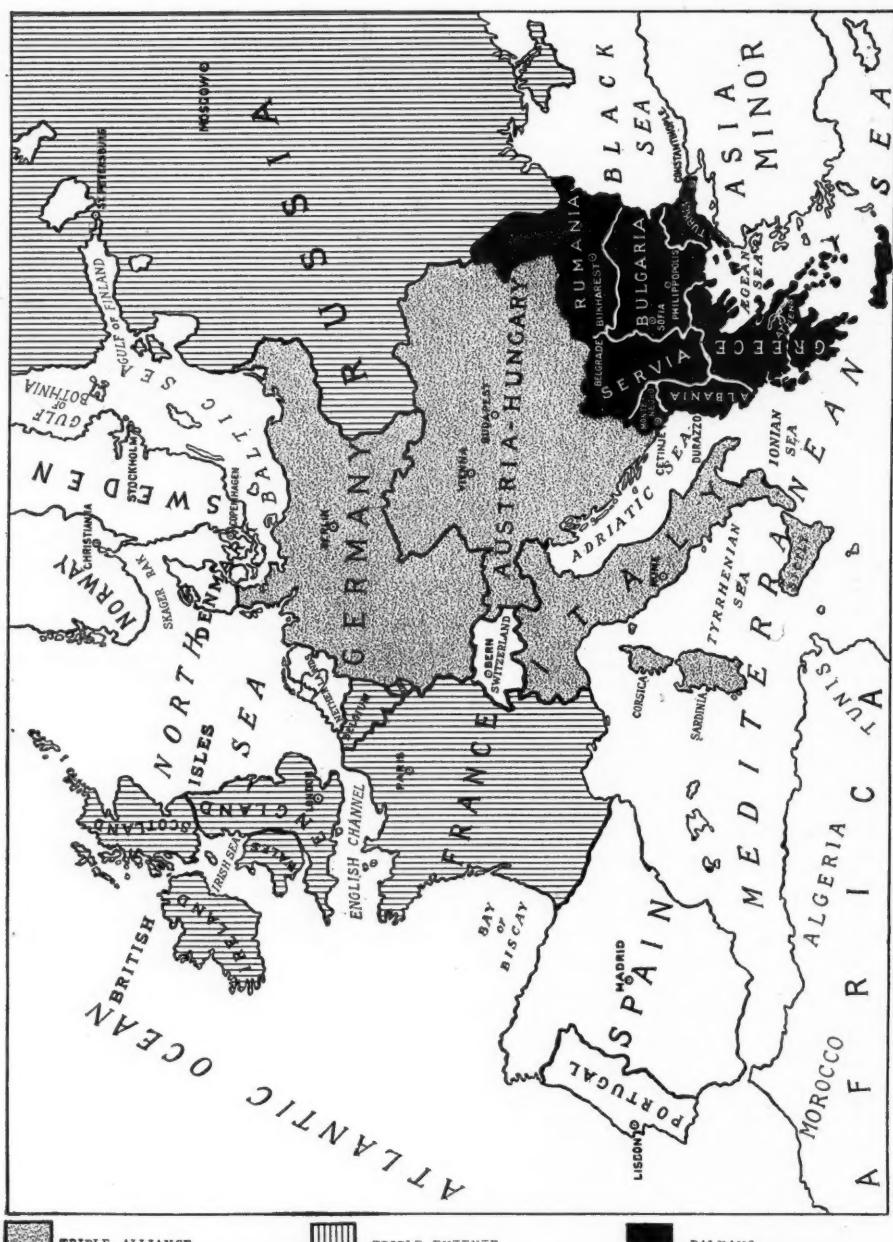
## HOW THE ALLIANCES CAME TO BE

Bismarck's fear of France and his hatred of the Napoleonic tradition as exemplified in Louis Napoleon was the underlying cause. In order to maintain a strong front against the republic, he brought about the Dual Alliance between Germany and Austria in 1879. This agreement, which was not known to the world until nine years later, marks the beginning of the division of Europe into two hostile camps.

In 1882 the Iron Chancellor was able to convince the Italians that they should cast in their lot with the powers of the center of the continent, and the Triple Alliance, or Dreig Bund, was born. In pursuance of his ideal of a friendless France, Bismarck, before approaching Italy, had attempted unsuccessfully to get Russian adhesion to a *Dreikaiserbund* (League of the Three Emperors). England

In 1890 Bismarck fell from power, and France came to an understanding with Russia. The next year the Treaty of Alliance was signed, which, however, was not made public until 1894. For a decade the Dual Alliance of France and Russia faced the to take part in the settlement of the terms of Triple Alliance of Germany, Austria, and Italy, with the odds in favor of the Dreikaiserbund.

During the first years of the twentieth century, however, there came about a shifting balance of the balance. Italy, estranged from France over the occupation of Tunis in 1881, and



TRIPLE ALLIANCE

TRIPLE ENTENTE

BALAKS

THE EUROPEAN ALLIANCES AND GROUPS AT THE BEGINNING OF THE WAR

reconciled to her Latin sister in 1901. In May, 1903, King Edward VII paid his memorable visit to Paris. Thanks to the diplomatic exchanges begun by this monarch, Britain and France, in April, 1904, signed an omnibus treaty settling all their differences in Africa. Shortly afterwards a secret understanding was arrived at between the two countries which, despite official denials, is now understood to have provided for British aid to France in case of an attack by Germany. This was the famous *Entente Cordiale*, or Cordial Understanding. In 1907 Great Britain and Russia, long at odds over

their respective spheres of influence in Persia the middle European powers,—Germany, and other parts of the Near East, made up Austria, and Italy,—into the Triple Alliance, or Dreibund; (2) the Triple Entente, or understanding approaching an alliance, between Great Britain, France, and Russia, (France and Russia being formally allied);

#### DEVELOPMENT OF THE TRIPLE ENTENTE

Meanwhile, the French had begun their pacific penetration of Morocco, and the German Kaiser had made his spectacular visit to Tangier (1905) and demanded that Germany's rights in North Africa be safeguarded. The Moroccan question was supposed to have been settled by the famous conference of Algeciras (1906). This conference, which brought out the support of England to France, proved that the *Entente Cordiale*, which had grown out of the treaty of 1904, approximated the strength of an alliance. When, as has already been said, Russia and England agreed over their Eastern interests, the Dual Alliance had expanded into the Triple Entente.

Startling events soon drew the world's attention to eastern Europe. The Turkish revolution, in 1908, found echoes in several of the provinces formerly under Ottoman suzerainty. In February, 1908, Europe was startled by the news that Bulgaria had thrown off the over-lordship of Turkey, and that Austria-Hungary had formally annexed Bosnia and Herzegovina. These provinces had been given to her "for military occupation and administration" by the Congress of Berlin, which followed the Turko-Russian war of 1877. All Europe was expecting a continental war. The tension was ended in March, 1909, however, by a peremptory intimation from the German Kaiser to the Russian Czar that if his support of Servia's protest against Austria's absorption of the Bosniaks should lead to war with the Dual Monarchy, Germany would "appear in shining armor at the side of her ally."

Russia never forgot this check. The two Balkan wars which amazed and frightened the continent in 1912 and 1913 were regarded by Austria and Germany as having been instigated by Russia in revenge. The Czar, however, has apparently seen these in the light of additional Slavonic checks by the Teuton. Meanwhile, Germany again challenged France in Morocco by her dramatic stroke at Agadir (1911). Britain supported France vigorously, and it was seen that the Triple Entente had solidified into what was virtually an alliance.

#### THE POLITICAL CHESS BOARD OF EUROPE

The continent is now divided into four groups of nations: (1) The close alliance of

Sept.—4

(3) the small group of buffer nations whose fronting on France, Belgium, and Germany, and Switzerland; (4) the other countries, having regional problems of their own. These include the Balkan nations,—Bulgaria, Serbia, Montenegro, Greece, Turkey, and Russia,—formerly a sort of Balkan extension of the Triple Alliance, but within the past year drawn within the orbit of Russia; the Scandinavian nations,—Norway, Sweden and Denmark (the latter, although neutral, still involved in the general fate of Scandinavia), —and the Iberian nations, Spain and Portugal. Any increase of the power of any one of these groups would alone have been sufficient to bring about a European war. This alignment constituted the balance of power.

#### SOME OF THE PROBLEMS OF THE DREIBUND

Each of the two great alliances now locked in the giant struggle for mastery presents some coherence and consistency and yet a good deal of diversity and internal antagonism. The two bureaucratic, highly centralized, powerful military nations of the center of the continent, Germany and Austria, are dominated by German-speaking men. Their interests are largely similar. Even the problems of each arise chiefly out of the fact that their governments are more dynastic than national. The Hohenzollerns and Hapsburgs are faced by racial questions of a similar nature, although Austria has them more intensely and to a greater degree than Germany. Both find the Slav within their borders and on their boundaries their chief enemy. Germany has, in addition, British commercial and naval rivalry to the north and French desire for revenge on the west. Austria has the problem of Slavs on the south as well as to the east and within her own borders.

Meanwhile a suspicious, unfriendly Italian neighbor and assumed ally, hungering to reclaim *Italia Irredenta*, begrudges her an outlet on the Adriatic. The Austro-Italian question arises from the fact that Austria

still possesses the only lands on the European continent inhabited by Italian-speaking people which is not under the Italian flag. All ancient Italy, she has long feared and suspected the German from the Alps to the end of the toe of the man. Moreover, the German has been boot, has been brought under one sceptre, except south Tyrol, Trieste, and the rest of trade and has built a powerful navy to protect that shore line of the northern Adriatic which the Germans have won. It is the German contention that one of the chief causes of the war is jealousy of the and Malta to Great Britain the Italian seems reconciled. The government at Rome, however, and the Italian people cannot forget that Austria holds all of continental Italy which is not subject to King Victor Emmanuel, and, moreover, that she has kept up a constant and vexatious campaign of Austrianization against those portions of Venetia and Lombardy which the Italians regard as their own.

While Germany's and Austria's problems are acute largely within their own borders (Germany's colonies have never been regarded as profitable), Italy's concern for her international position has been intensified during the past two years by the acquisition of Tripoli. Italians have been very thoughtfully weighing the advantages accruing to them from their alliance with Germany and Austria, such as military assistance, financial promotion, etc., against their traditional friendship with England, their historic love for France, and the ease with which British battleships, if unfriendly, might cut off Tripoli and close in the peninsula upon the political, economic, and social revolution which King Victor Emmanuel is reported to have recently said is likely to make Italy the next republic. All of which goes towards explaining why Italy will try her best to remain neutral.

#### DIVERGENCE IN THE ENTENTE

There is more diversity than agreement in the Triple Entente. Hostility to the Dreibund and fear of its tremendous military power have been the main actuating motives. Government, institutions and traditions tend to unite the central European powers. But it is exactly government, institutions and tradition that put the members of the Triple Entente as far apart as the poles. Constitutional, republican England (a monarchy only in name), with her widely extended empire and her unmilitary people, is practically allied to republican, highly centralized France, which has not yet lost her memory of the great Napoleon. France also has a fighting force. Both Germany and Austria, colonial empire, and a navy which is claimed to be second only to that of England. Britain plies upon importation.

This friendship with the republic across the channel and a desire to protect her Asiatic dependencies bring Britain into a strange semi-partnership with the autocratic Russian Empire, with which she has naturally nothing in common, with which she is at enmity along many frontiers of the world, and with which she will inevitably have to dispute the prizes of the war, should the Triple Entente be victorious. But France wants back Alsace-Lorraine from Germany, and French bankers hold almost all the huge Russian national debt. To protect her investments in Russia, and to consummate her revenge on Germany for the humiliation of 1870, France cannot break with the Muscovite. Britain needs France for her own protection against Germany, such as military assistance, financial many. A Germany triumphant over France would mean a Germany within striking distance of English shores. France needs Britain for her national safety. Therefore, French and Russian armies have menaced the German frontiers, and British warships have for years been awaiting the orders, "Find and sink the Germans."

#### FORCES AND STAYING POWERS OF EACH CAMP

In staying qualities the two great groups, if each maintains its strength undiminished, are about equal. The Dreibund commands better equipped, better trained and more easily handled armies. On the water, however, the Entente has a great advantage. Naval experts are wont to measure sea strength by tonnage, number of guns, and weight of projectiles. Measured by this test, the central European powers are only half as powerful as the combination against them. The figures given for the Entente are, in round numbers, tonnage, 2,000,000; guns, 800; projectile weight, 550,000; those for the Dreibund are: tonnage, 600,000; guns, 280; projectile weight, 200,000. The countries of the Triple Alliance are more compact and the Triple Alliance are more compact and France, which has not yet lost her memory of the great Napoleon. France also has a fighting force. Both Germany and Austria, colonial empire, and a navy which is claimed to be second only to that of England. Britain plies upon importation. The government at



THE RACIAL DISTRIBUTION OF MODERN EUROPE, WHICH HAS BEEN ONE OF THE MOVING CAUSES OF THE PRESENT WAR

(Of the areas left in white, Turkey is non-European, Albania non-European and an insoluble mixture in addition, Hungary probably of non-European origin, and Switzerland, divided up between German, Frenchman and Italian, is so small on this map that an indication of division by race is practically impossible. There are in round figures, 140,000,000 Slavs in Europe, 100,000,000 Teutons (including Scandinavians), 100,000,000 to 110,000,000 Latins, and 45,000,000 Anglo-Saxons)

TEUTONIC

ANGLO-SAXON

LATIN

GREEK

SLAV

RUMANIAN

Berlin recently announced that it could hold lines and in the reserves have wasted the out, with blockaded ports, for a year. The substance of the continent and lowered its bulk of the land fighting forces of the Entente,—the Russians,—are less highly trained times of peace has a million and a half men and less efficient than the Germans. Britain, under arms. In times of war this may be moreover, it is said, cannot live more than quickly increased to 8,000,000. For purposes two months on the food she has within her borders at any one time. On the other hand, France produces surplus food-stuffs, chiefly wheat, and Russia is a limitless granary. England maintains her mighty fleet to keep her doors open for food. If her ships should destroy the German navy and blockade German ports, the Kaiser's armies may be expected to take their attention from France and devote all their energies to seizing the grain lands of Russia.

#### THE BLIGHT OF MILITARISM

The blight of militarism has been on Europe since the Franco-Prussian war. More than 16,000,000 trained soldiers in the first

productive capacity. The Triple Alliance in tente,—the Russians,—are less highly trained times of peace has a million and a half men and less efficient than the Germans. Britain, under arms. In times of war this may be moreover, it is said, cannot live more than quickly increased to 8,000,000. For purposes two months on the food she has within her borders at any one time. On the other hand, France produces surplus food-stuffs, chiefly wheat, and Russia is a limitless granary. England maintains her mighty fleet to keep her doors open for food. If her ships should destroy the German navy and blockade German ports, the Kaiser's armies may be expected to take their attention from France and devote all their energies to seizing the grain lands of Russia.

These armies in times of peace is an incitement to war. Officers look forward to a conflict as their chance of advancement, and the peoples are accustomed to the sight of the paraphernalia of battle. Besides the economic burden of supporting them, these armaments have bred jealousy and have fostered a spirit of caste and autocracy that has kept the peo-

ples of the continent from many of the economic, social, and political reforms of which they are in sore need.

In every one of the six major powers, revolution of varying degrees of seriousness was the seeming alternative to war. In the aggressive powers, those that took the initiative,—Austria, Russia, and Germany,—the military oligarchies have for years been facing a social-democratic revolution. Russia is still struggling out of Asiatic barbarism. Germany, with all her civilization, remains a feudalistic autocracy, with a "debating society" for a parliament. Austria is a polyglot bureaucracy, which has held together mainly by desire for protection against Russia and personal loyalty to the Hapsburg family. In none of the three are franchise rights fully recognized. In all of them industry is taxed to the breaking point. Britain, France, and Italy also have their questions of land, and labor, and Britain has Ireland. Through all of them the "disintegrating ferment" of Socialism is preparing for the fall of monarchy and special privilege. It was inevitable that militarism should force a general war or fall of its own weight. Moreover, militarism has expected this war for twenty years. During the past decade this expectation has been so widespread that one of the aims of taxation in Germany and Austria has been providing funds for the contest.

#### THE STRUGGLE OF TEUTON AGAINST SLAV

Pan-Germanism has baited Pan-Slavism, and Pan-Slavism has challenged Pan-Germanism for half a century. Pan-Germanism, represented by Germany, is a well-defined movement which seeks the common welfare of the Germanic peoples of Europe and the advance of Teutonic culture. Pan-Slavism, championed by Russia, is less clearly formulated, but it, for its part, seeks a union of all Slavonic folk for common welfare. These two aims are irreconcilable and the two propaganda have become the incitement to war. There are in Europe approximately 80,000,000 German-speaking people, of whom 68,000,000 are in the German Empire, and the other 12,000,000 in Austria and Hungary. But there are 140,000,000 Slavs on European soil,—in Russia, Bulgaria, Servia, Montenegro, and in the Polish provinces of Austria and Germany, in Bohemia and the other Slavonic parts of the Dual Monarchy. Russia has always regarded herself as the protectress of the Slav peoples and any attempt to bring Slavs under Teutonic domination is looked upon as a direct challenge to her.

From Lapland to the Black Sea the contact between these two virile races, the Teuton and the Slav, is always seething, and there has seemed to be no solution but an appeal to the sword. This bitterness has been intensified by the unnatural political geography which the Berlin Congress,—maker of nations on the map,—forced on Europe. The right of almost every small nation to rule itself has been ignored.

#### A FIGHT FOR NEW MARKETS

In the last analysis, Europe's fight is a fight for markets. The German Kaiser has been called the best living drummer for German goods. The Teuton's "Drang nach Osten" has been responsible for most of the Kaiser's *weltpolitik*. In the Near East are the grain fields of Mesopotamia, where the race began, and in the Far East are the vast markets of India and China. The great financial interests of Europe, the Jewish bankers and the immense industrial establishments, have been seeking the commercial conquest of Asia for a quarter of a century. This has been behind the Eastern question, with the elimination of the Turk as a factor. Whatever great power possesses Constantinople attains enormous advantages for the domination of Asia and holds the highways of trade to the Near and Middle East. Britain controls the Suez Canal. But German capital has built railroads through Asia Minor. Russia, by patient intrigue, has welded the little Balkan States until a Slavonic wedge from the Black Sea to the Adriatic now bars the German's way to the Orient. Berlin and Vienna have replied by keeping the Balkans at war, by establishing the "open sore" of Albania, and preventing the Serbs, whether Servian or Montenegrin, from being Russia's advance guard on the Adriatic. German finance must have more lands and people to exploit. England threatens the Kaiser's expansion on the sea, while Russia, the largest military empire of Europe, and France, her strongest military republic, close the Germans in on both land sides. Therefore, at any cost must the power of the Balkan league be broken. Therefore, the little Sanjak of Novibazar between Servia and Montenegro (given to the latter at the end of the Balkan wars) is frantically clung to by the Austrians as the gateway to Salonica and Asia.

#### HOW THE CRISIS CAME ON

The assassination of the Archduke Franz Ferdinand and his wife, in the last days of June, was the first link in the chain of

events which have brought on the great war innate in the Near East rather than that of play for which Europe has been preparing Britain, France, and Russia. Austria felt she fearfully for a generation. Swiftly sketched, must chastise the Serbs for assassinating the the drama moved this way. Austria heir apparent to her throne; Russia could claimed that Servia, as a nation, was responsible for the assassination. She sent an ultimatum to Belgrade, making demands that France, which holds the Russian national debt and regards the Muscovite as her only hope of recovering Alsace-Lorraine, prepared to support Russia. Germany, threatened on both sides, felt she must strike quickly. In army across the Danube. Austria's attack so doing, the Kaiser's strategy ignored the rights of small neutral states, and, invading Belgium, brought his armies within menacing distance of England. And so we have the British fleet and the British troops as the last the flood of militarism which the dikes of great factor in the tremendous conflict. Whatever happens,—whichever side or reason and civilization had found it so difficult to restrain; fourth, it showed the continent that Germany and Austria still meant as a result, there will be a radical change in to keep open the way to the East, and that the whole social and economic, as well as German and Austrian goods and German political and geographical structure of and Austrian capital were henceforth to dom- Europe.

## HOW EUROPE'S ARMIES TAKE THE FIELD

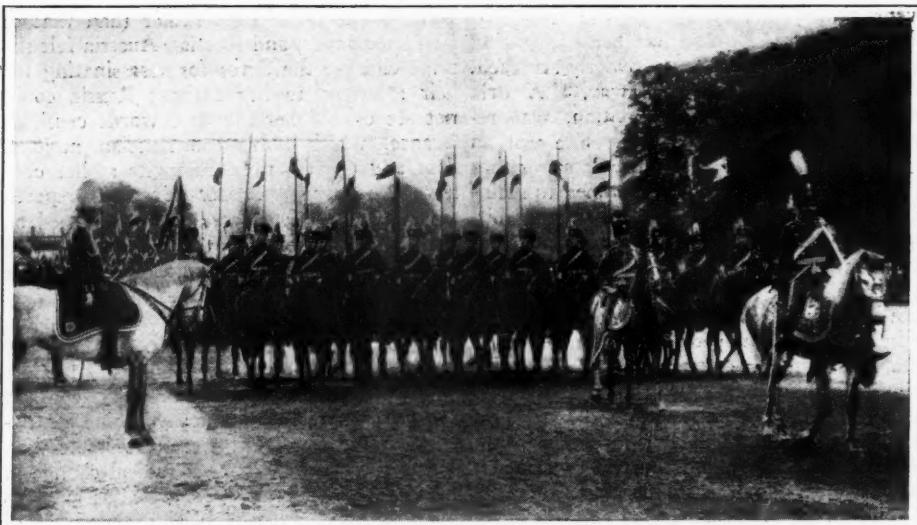
BY T. LOTHROP STODDARD

**T**HE idea underlying all modern Continental armies is universal military service,—that compulsory instruction of every able-bodied citizen which has resulted in the "Nation in Arms." In itself this idea is very old. It prevailed in the city-states of Ancient Greece and in the Roman Republic. But throughout the Middle Ages it almost dropped out of sight, while the subsequent rise of despotic monarchies apparently gave it its death-blow. At the close of the Eighteenth Century European armies were invariably small bodies of highly-trained professional soldiers (largely foreign mercenaries), officered by noblemen inspired by Feudal loyalty to their Royal over-lord, the King. Such an army was pre-eminently the "King's Own"; it was quite out of touch with the nation at large whose chief military contribution in peace or war was the payment of taxes for the support of the King's army.

The French Revolution gave this military system its death-blow and laid the foundation for the existing order of things. With the overthrow of the French Crown the old "King's army" went to pieces, but since



BELGIAN BUGLERS CALLING SOLDIERS TO ARMS



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#### THE ROYAL GERMAN HUSSARS

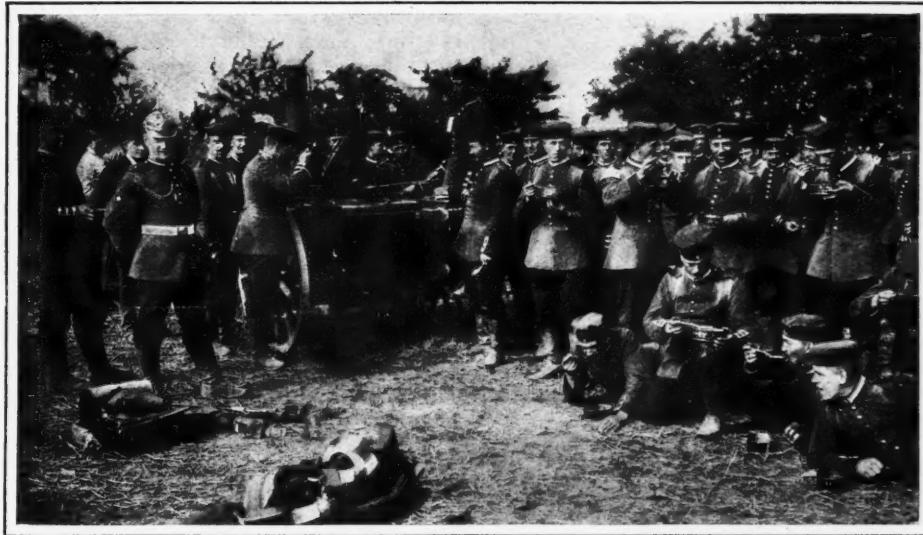
France was assailed by all Europe she was raw levies into veteran soldiers the vast forced to improvise an army or die. The French armies overran all Europe. True, army was found through the new principle the levée en masse had to be supplemented of the "levée en masse"—the rising of the by the "conscription," (the taking of a nation to resist the invader. The levée en certain percentage of available men by lot), masse produced enormous masses of men, yet even under the First Empire the French entirely untrained, of course, but full of armies were more "national" than the old fanatical courage, and since their opponents "King's armies" had ever been. were small armies of professional soldiers too valuable to be rashly risked by generals possessing no adequate reserve forces, the French succeeded in beating off their enemies, and when a campaign or two had turned these the conscription produced the "nation in

#### PRUSSIA'S SYSTEM,—"THE NATION IN ARMS"

However, neither the levée en masse nor



GERMAN INFANTRY ON THE MARCH



GERMAN INFANTRY WITH CAMP KITCHEN

arms" of the present day. The volunteer from civil life to the colors. Here at last or conscript of the French Revolution and was the germ of that short-term, universal Napoleonic Empire "became in his turn a military service which has produced the modern professional soldier and the exempted majority of the nation remained as untrained and unmilitary as before. The next step toward the modern system was taken by Prussia. In the Eighteenth Century Prussia had been Europe's military teacher and possessed the most perfect "King's army" of the day. But the war with Napoleon in 1806 revealed the helplessness of the old order in face of the new French system. Once beaten at Jena, there were no reserves to reform the shattered army and resistance absolutely collapsed. However, in the very depth of her humiliation Prussia found her even

limited the Prussian army to the merely nominal figure of 42,000 men, but the Prussians cleverly turned the difficulty by making this small force consist largely of officers and under-officers, passing the entire youth of the country through the ranks in quick relays of intensive training, while at the same time possessing in the abnormally large number of officers and subalterns the permanent framework of a large army whenever the trained privates should be recalled. Nevertheless, nearly half a century was to elapse before the new system came into general use. The importance of the Prussian innovation was not realized by other nations, while in military matters as in everything else the political reaction following Napoleon's overthrow brought about a partial return to Eighteenth Century conditions. The "nation in arms" had a very uncongenial sound to absolute monarchs menaced by popular discontent; accordingly, long-service Prussia showing no signs of military salvation.

Napoleon had



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TROOP OF GERMAN INFANTRY READY FOR ACTION



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GERMAN OFFICERS MINING A BRIDGE

progress for some time. But the troubled period after 1848 and the cry for German Unity spurred Prussia to action, and under the guidance of that brilliant galaxy of military talent personified by Von Roon and Moltke Prussia perfected the system which in essence prevails to the present hour.

The proposition of the "nation in arms" once assumed as a theoretical necessity, three problems were bound up with its successful realization. These were: (1) Classification for future military service of the trained citizens returned to civil life; (2) their rapid assemblage at the required moment; (3) their effective handling upon the theater of hostilities. These three problems are best summed up in the words "Reserve," "Mobilization," and "General Staff."

#### THE "THREE-LINE" RESERVE SYSTEM

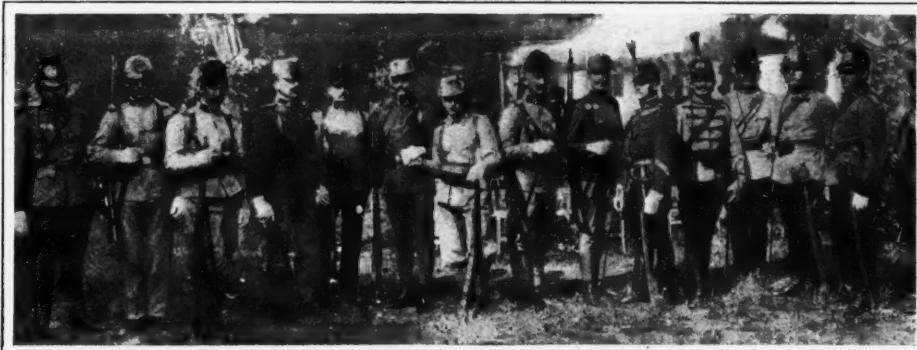
The Reserve problem is clearly the first for solution. Here is the entire able-bodied citizenship of a large state liable to military service during a long period of years,—generally between the ages of twenty and forty-five. How does this work out in practise? The first step is self-evident. Every year all the able-bodied young men of twenty are called to the colors and pass a certain length

of time (generally two or three years), in acquiring their military training. Thereafter they return to civil life. It is obvious that in course of time millions of trained men may be available in case of war. But it is equally obvious that they should be recalled for war-service not en masse but by degrees, with due regard for maximum military fitness and minimum disorganization of the social and economic fabric of society.

All this was worked out by the Prussians in their generally adopted "three-line" system of "Active Reserve," "Landwehr" and "Landsturm." The Active Reserve is composed of those citizens only two or three years out of their military service. In wartime these join their old regiments of the peace-army at once, and since these regiments always possess an abnormally large proportion of officers and under-officers, the army which takes the field immediately after the outbreak of war is automatically doubled without being diluted, since the framework is fully equal to the increase in the ranks, while the reservists have not had time to lose the knack of their military duties. The next step is the calling out of the "Landwehr," or second line,—citizens in the prime of life, generally about equal in numbers to the field army. These second-line reservists have already been enrolled in separate Landwehr regiments, with their own framework of officers and under-officers. They are at first used exclusively for garrison duty, guarding communications, etc., although after they have gotten back into shape many of them are sent to the front to repair the wastage of the field army. The third line, or "Landsturm," is not called out except as a last resort. It is obvious that these men of middle life, with settled positions and large families, will be relatively incapable of performing good military service, while their call to the colors will produce the greatest hardship and disorganization in the civil life of the nation. In any event they are used only for home duty.

#### REGIONAL MOBILIZATION

Having thus organized and classified a nation's trained citizenship, the next step is to assemble it in the hour of peril. This process is known as "mobilization." Applying as it does to millions of individuals scattered over a whole country, mobilization is naturally an extremely complex and delicate affair, yet rapid mobilization is absolutely necessary, for since modern warfare has become more and more a matter of initial crush-



TYPES OF AUSTRIAN OFFICERS

(1) Uhlan (Landwehr); (2) Austrian (Landwehr); (3) Bosnian Rifle-man; (4) Austrian Rifle-man; (5) Hungarian Infantryman; (6 and 7) Tyrolese Sharp-shooters; (8) Bosnian Infantry; (9) Hungarian Infantry; (10) Hungarian Hussar; (11) Hussar (Landwehr); (12) Hungarian Rifle-man; (13) Mounted Rifle-man; (14) Bosnian Dragoon; (15) Marine

ing blows followed up relentlessly to the nental states to-day have the same system, end, it is quite plain that the nation which this objection is of no practical importance. mobilizes more quickly and smoothly than After mobilization comes "concentration," or its opponent is already half assured of vic- the theater of hostilities and their junction by the Prussians in their "regional army- corps" system, whereby the army is divided into army corps, each corps permanently lo- cated in a certain region and recruiting therefrom. This works well in both peace

and war. The youth does his military serv-

ice near home, mobilization generally finds the reservist within call of his barracks, and theorists of the mid-Nineteenth Century was

everyone goes to war surrounded by com-rades of his own kind. The chief military objection to regional mobilization is the pos- sibility of a smaller but long-service pro- fessional army smashing suddenly into the midst of the process, but as all the Conti-

## THE GENERAL STAFF

The third problem solved by the Prussian and by the extensive area of battlefields con- sequent upon the introduction of long-range rifles and artillery. Only a century ago the commander-in-chief, seated upon an adjacent hill, could overlook and direct the whole



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FRENCH INFANTRY MOBILIZING NEAR PARIS



THE PICTURESQUE ALGERIAN TROOPS ("TURCOS") IN THE FRENCH SERVICE

course of a battle. This has now become below the current "estimates." There is impossible. Accordingly, to ensure smooth no doubt that the contending nations possess coöordination, the directing group of officers 20,000,000 able-bodied men, all of whom must be previously trained, not merely to might ultimately see service should the war think, but to *feel* alike, so that a few broad prove to be of long duration. But the fright-general orders will ensure harmonious development of a major operation extending over conflict, together with the very nature of a wide theater of action. This has been modern warfare itself, combine to make a effected by the "General Staff," the keystone European war extending over two or three years a highly improbable contingency. Every-

Such are the three solutions which enabled the Prussians to crush the old long-service, professional armies of Austria and France in campaigns. It has, therefore, seemed ad-1866 and 1870, together with the French "levée en masse" of 1871. Prussia there-troops available for field service during this upon became the military schoolmaster of period.

Europe, exactly as she had done a century before, after the victories of Frederick the Great. All the Continental armies are to-day patterned on the Prussian model, albeit they differ sufficiently in numbers, composition, and organization to warrant a brief comparative analysis.

#### ARMY STATISTICS

Before proceeding to our detailed examination of the various European military establishments, one word of explanation seems necessary. The press just now is full of statistics giving the impression that nearly 20,000,000 soldiers are engaged in the present struggle. Now the true figures are tremendous enough, but they are certainly far

We must never forget that modern warfare is a highly technical science demanding expert knowledge of those engaged in its pursuit. Its very instruments are useless in unskilled hands. To train even a private soldier is a process of months, especially in the cavalry and artillery branches, while the production of capable officers and under-officers requires years. Furthermore, modern warfare has become to such an extent a matter of artillery practise and the consumption of these slowly produced objects is so rapid that the size of an army is practically restricted by its quota of gun batteries and reserve material. When we add the complications of transport, for the feeding and supply of these vast masses of men, we can



FRENCH TROOPS ON THE MARCH TOWARDS THE GERMAN FRONTIER

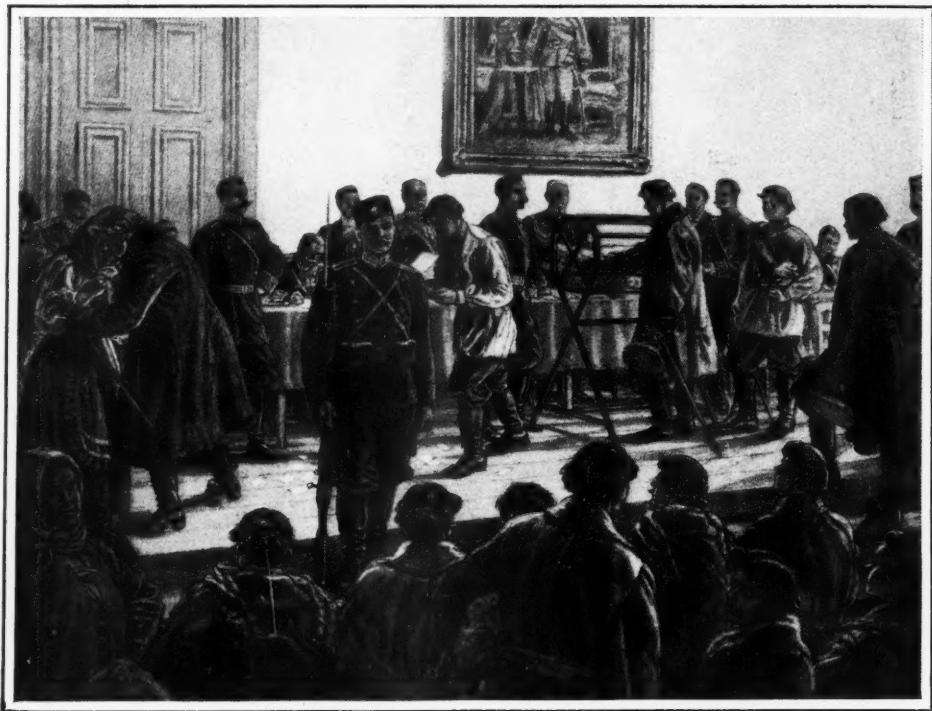
readily see the practical limitations imposed serve," where they get a light militia training. Every military expert knows that to send hosts of half-trained infantry, commanded by virtually untrained officers and without the proper proportion of cavalry, artillery, and allied technical branches, would be the sending of so many lambs to the slaughter. And since this is an experts' war, such blunders will assuredly not take place. With these preliminary remarks in mind, let us begin with the common archetype,—the German army.

#### GERMANY'S EFFECTIVE MILITARY STRENGTH

During the last few years the German army has been greatly strengthened, but not to such an extent as to make the theoretical universal military service a matter of actual practise. Germany's great population of nearly 70,000,000 gives her a superfluity of men, and only half the able-bodied youth of the Empire actually do service with the colors, the other half being assigned to the so-called "Ersatz-Re-

NEW UNIFORM,  
FRENCH INFANTRY

ing. In war time, however, these "Ersatz" reservists are called up, the younger to the active army regimental depots to be drilled like ordinary recruits for service in the field, the rest apportioned according to age among the Landwehr regiments or in the Landsturm. This assures Germany a plentiful supply of recruits in the critical period two or three months after the beginning of war without the disorganization of the Landwehr units by drafts for decimated field regiments. The peace strength of the German field army (deducting permanent garrison units, depot troops, etc.) is about 800,000, with 650,000 active reservists called to the colors at once and with 400,000 young, able-bodied Ersatz reservists training in the regimental depots and fit for service in a short time. The Landwehr is subdivided into two "bans," according to age, each ban numbering about 600,000. The trained portion of the Landsturm, some 400,000 strong, consisting of men between thirty-nine and forty-five years of age, would be fairly



CONSCRIPTION IN RUSSIA: DRAWING LOTS FOR MILITARY SERVICE

effective for home-guard and garrison duty. of the Dual Monarchy is reflected in its The untrained portion, slightly more numerous, would probably not be called out in any event. Here, then, in round numbers, is the effective military strength of Germany in the present crisis:

<i>Field Army</i> (peace strength and active reserves).....	1,450,000
<i>Ersatz Recruits</i> (available for active service in a short time)....	400,000
<i>Landwehr</i> (1st ban) (fit for field work after a time if necessary) ..	600,000
 Total effective field forces..	2,450,000
<i>Landwehr</i> (2nd ban) (for garrison and covering duty).....	600,000
<i>Landsturm</i> (trained) (for garrison and home duty only).....	400,000
 Grand total effective forces..	3,450,000

#### AUSTRIA'S THREE-FOLD ORGANIZATION

Turning next to Germany's ally, Austria-Hungary, we find a state of things very different from the highly unified German military machine. The peculiar constitution follows:

The Dual Monarchy has, in fact, three separate military establishments: the common Imperial-Royal army ("Kaiserliche-Koenigliche"), the Austrian "Landwehr," and the Hungarian "Honved." These last two terms must not be confused with the German Landwehr, or 2nd reserves. In the Dual Monarchy the annual classes coming up for military training are apportioned among the three establishments and even after remain subject to service only in the particular establishment to which they have been originally assigned, each establishment having its own reserve organization. The result of all this is a highly complex system which makes mobilization both slow and difficult. Fortunately for the striking power of Austria-Hungary, the Imperial-Royal army is far stronger than the other two establishments put together, its peace strength being 340,000 effectives, whereas the "Landwehr" and "Honved" number only 48,000 and 36,000, respectively. As no official figures of reserves or Landsturm are published, the war strength of Austria-Hungary is somewhat problematical. The best estimates of the effective field army are somewhat as



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## RUSSIAN CAVALRY ON THE MARCH

*Imperial-Royal Army (with reserves)* .....  
*"Landwehr" and "Honved" (with reserves)* .....  
*Ersatz Reserves, etc. (available for active service later)* .....

600,000  
 230,000  
 220,000

Total effective field forces... 1,050,000

## UNIVERSAL SERVICE IN FRANCE

Having thus considered the fighting power of Germany and Austria-Hungary, let us now examine the military strength of their opponents. First of all, France. The stationary population of the Republic (to-day only 39,600,000) has made France the classic example of absolutely universal mili-



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## SERVIAN VOLUNTEERS ON THE WAY TO ENLIST



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## BRITISH INFANTRY ON THE MARCH

tary service. France's desperate efforts to maintain a field army as large as that of her German neighbor have resulted in the enrolment of every Frenchman not positively unfit for military service. Indeed, even men with slight physical defects are required to serve in the non-combatant branches of the army. In principle the German three-line reserve system is in force, though with a different classification. The Landwehr and Landsturm are here combined into the so-called "Territorial Army," with a complete organization of its own, the Landwehr classes composing the Territorial first-line, the Landsturm classes forming the Territorial reserve. Another point to be noted is that since France possesses a large colonial empire, she maintains a distinct colonial army of the old professional type, it being composed of long-service troops, obtained mainly through voluntary enlistment and consisting of vigorous men in the prime of life.

These "regulars," seasoned by actual foreign service, should prove of high fighting power, since the long-service regular, man for man, of the Triple Entente looks formidable enough to meet both Germany and Austria-Hungary single-handed. Russia's vast population of nearly 180,000,000, together with her huge size, covering one-sixth of the entire land surface of the globe, apparently implies overwhelming armies of soldiers. However, as a matter of fact, the very vastness of the Russian Empire involves such problems of distance and multiplicity of interests that much of its strength can never

The effective fighting strength of France is therefore as follows:

<i>Peace Establishment (metropolitan army)</i> .....	800,000
<i>Reserves (active, available at once)</i> .....	500,000
<i>Colonial and Native Troops (for European service)</i> .....	80,000
<i>Total field army immediately available</i> .....	1,380,000
<i>Reserves (2nd line) (fit for field work if necessary)</i> .....	600,000
<i>Total effective field forces</i> .....	1,980,000
<i>Territorial Army (active) (for garrison and covering duty)</i> .....	500,000
<i>Territorial Reserves (trained) (for home duty only)</i> .....	300,000
<i>Grand total effective forces</i> .....	2,780,000

## RUSSIA'S SLOW MOBILIZATION

From France let us turn to Russia. Certainly, at first sight, the eastern member of the Triple Entente looks formidable enough to meet both Germany and Austria-Hungary single-handed. Russia's vast population of nearly 180,000,000, together with her huge size, covering one-sixth of the entire land surface of the globe, apparently implies overwhelming armies of soldiers. However, as a matter of fact, the very vastness of the Russian Empire involves such problems of distance and multiplicity of interests that much of its strength can never

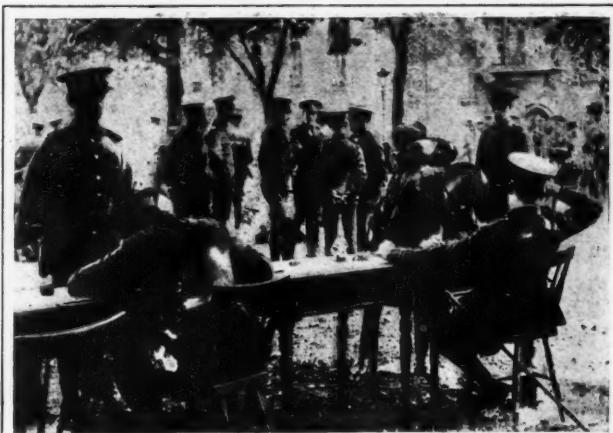
be brought to bear on any one given point, while its wretched roads and inadequate railway system prevent the effective development of all the forces possessed by even the European portion. These drawbacks become most apparent during the Russian mobilization, which is far slower than that of any other great power. Reservists often have to walk great distances to arrive at their military depots, and the inadequate train service correspondingly hinders the concentration of the mobilized army corps. So keenly has Russia felt her handicaps in this respect that she today makes no serious effort to hold Russian Poland, stretching so temptingly between East Prussia and Austrian Galicia, but is mobilizing far to the eastward, which will mean a very long-delayed advance. The Russian peace establishment is certainly enormous, numbering, as it does, about 1,200,000, but of these 200,000 are in Asia (Siberia, Turkestan, and Manchuria), while 100,000 are in Transcaucasia, and neither of these armies can be safely denuded for the European theater of war.

Also, the huge population of European Russia can be drawn upon only to a certain point, since Russia possesses neither the artillery nor the permanent framework of officers and subalterns required for the effective employment of such vast masses of men. The actual strength of the Russian field army which will be employed against Germany and Austria-Hungary will probably be about as follows:

<i>Peace Establishment</i> (European army) .....	900,000
<i>Reserves</i> (active) (immediately available) .....	600,000
<i>Second Reserves</i> (available after some time) .....	1,100,000
 Total effective field forces	2,600,000

#### ITALY'S MILITARY ESTABLISHMENT

Before discussing the peculiar military establishment of the British Empire, the third member of the Triple Entente, it may be as well to cast a glance at the one great European power still holding aloof from the present struggle,—Italy. The first thing



ENGLISH "TERRITORIALS" SIGNING THE REGIMENTAL ROLL

that strikes one's attention is the fact that despite Italy's large population of 36,000,000 its army is smaller than might be anticipated. Italy's poverty does not permit it to train even half the annual quota of its able-bodied youth, the majority thus relieved from service with the colors receiving either a brief militia training or no military education at all. Furthermore, mobilization is handicapped by three unfavorable factors. In the first place Italy's peninsular shape makes a strict regional distribution of its army corps a strategical impossibility; the bulk of the army must be kept at all times in the extreme north in close proximity to the land frontiers.

Also the still imperfect fusion of Italy's diverse populations has led the government to mix men from every province of the country in the same regimental units, in order to hasten the break-up of local particularism and further Italian Unity. In war-time, however, these combined factors spell a slow and complex mobilization, many reservists having to travel great distances in order to rejoin their regiments. Another unfavorable military factor is the extensive Italian emigration, which deprives the country in a sudden emergency of hundreds of thousands of its most vigorous reservists and entirely disorganizes many military units. As nearly as can be estimated the actual effective strength of the Italian army is as follows:

<i>Peace Establishment</i> .....	270,000
<i>Reserves</i> (active): (immediately available) .....	250,000
<i>Mobile Militia</i> (available for field duty after some time) .....	300,000
 Total effective field army	820,000



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## ENGLISH BICYCLE ARTILLERY

*Territorial Militia* (trained) : (for garrison and home duty) . . . . . 700,000

Grand total effective forces . . . . . 1,520,000

## THE BRITISH ARMY,—A SURVIVAL

Looked at from the Continental point of view the British army is in every respect a "peculiar institution." Unlike any of the great European military establishments, it is in fact a survival of the old Eighteenth Century system. A small army of long-service, professional soldiers, officered by aristocrats, the British regular army has owed its continued existence to England's insular position and to the fact that until the recent rise of German sea-power the English fleet afforded an absolute guarantee against any possible invasion by a Continental "nation in arms." The British regular army establishment on a peace footing numbers only 156,000 effectives, partly stationed abroad, and though many of the time-expired soldiers are enrolled in a reserve organization, the British army on a war footing is numerically less imposing than that of several minor European states. True, the last few years have seen the formation of the "Territorial Army," a volunteer organization now numbering about 250,000, but military experts everywhere have been a unit in declaring that such militia could not stand the shock of anything like an equal number of disciplined Continental troops. Of course the British regulars, as might be expected of long-service professionals, are undoubtedly better than any other large body of European soldiers, but the "Territorials," with their imperfect equipment and glaring lack of trained officers and

sending to the Continent in the event of what is now actually taking place has never been placed higher than 160,000 men, and some writers have maintained that even this would strip the home defense of the British Isles in dangerous fashion so long as the enemy's fleet remained undestroyed. The following table shows England's present effective military strength. No mention is made of the Indian Army for reasons above stated, and the Dominion contingents have likewise been omitted, since so many months must pass before these volunteer organizations can be equipped, trained, shipped and fitted for European battlefields that it is most unlikely that they can figure in the present campaign; and since modern wars tend to be of brief duration, the first campaign of the present struggle will very likely prove to be the last as well.

<i>Regular Army</i> (peace footing; partly stationed abroad) . . . . .	156,000
<i>Regular Reserve</i> (available at once) . . . . .	146,000
<i>Special Reserve</i> (rapidly available)	63,000
<i>Total Regular Establishment</i> . . . . .	365,000
<i>Territorial Army</i> . . . . .	251,000
<i>Grand total effective forces</i> . . . . .	616,000

## BELGIUM, HOLLAND, SWITZERLAND

Since the present war is nothing short of a general conflagration which may ultimately involve every European state, it will not be amiss to devote some space to a brief survey of the military establishments of the minor powers. First and foremost, a few words about that Belgian army that has shown

prowess. Belgium has never adopted the

principle of universal military service, but retains the older system of conscription. Her regular army on a peace-footing numbers about 45,000, the trained reserves giving a total of 170,000 effectives in time of war. Alongside this regular establishment there is a local militia, the "Garde Civique," numbering some 45,000. A few of its élite corps rank as high-grade militia, but most of its units are without serious military value.

The neighboring state of Holland, though maintaining a good-sized Colonial Army, has little more than a militia organization for home defense, relying as Holland does upon together can put 300,000 men in the field, its dykes to drown the invader's path. A Greece another 300,000. The Turkish and knot of 20,000 regulars forms the nucleus Bulgarian matériel captured by these states about which would gather the Dutch militia in the late Balkan Wars should have largely to the number of perhaps 150,000. The solved the problem of equipment for the third "neutral" state of Western Europe, present struggle. Bulgaria is in bad shape, Switzerland, is much better prepared to disorganized by defeat, semi-bankrupt and maintain its neutrality and would prove a very deficient in artillery. She could prob-formidable antagonist for the most powerful ably not put more than 250,000 effective invaders. Switzerland has long adopted the troops in line of battle. Rumania, with her principle of universal military service; not untouched resources of men, equipment and in the sense of a large standing army fitted supply, is to-day the strongest of all the Bal-for instant attack, but with an entire popu-kan powers. She could put about 350,000 lation of well-trained and organized militia-effectives into the field. Turkey, like Bul-men, ready for stubborn defense. The war-garia, is still under the shadow of defeat, and like nature of its hardy people and the strong cannot have yet repaired her enormous losses barriers of its mountains would make an invasion of Switzerland a dangerous under-taking. In a supreme emergency Switzerland could place nearly 500,000 men in the field.

#### THE BALKAN STATES

Lastly, there remains a brief consideration of the military strength possessed by the several Balkan peoples. The recent Balkan Wars were so destructive of both men and is therefore doubtful whether Turkey, despite matériel that the effective fighting power of her new strategic railways, could ever throw these countries (Rumania excepted), must be more than 400,000 men on European soil, largely a matter of conjecture. According and even these might be of questionable to latest estimates, Servia and Montenegro value.



SERVIAN TROOPS READY FOR ACTION



# EUROPE'S PREPARATION FOR WAR EXPENSES

BY CHARLES F. SPEARE

THREE incidents in European financial history since 1911 illustrate how definitely the Powers have been preparing for war. As we look back at them we wonder why the world has been overwhelmed with surprise and terrorized by the sudden oncoming of the conflict.

In 1905 Germany was all but mobilized against France. The money lords in London, Paris, and Vienna stepped between the rival nations and the Algeciras conference patched up their differences. Again in 1911 Morocco was the sore point between Germany and France, and the Kaiser upset Europe by his "sword-rattling" speech. The affair of the *Panther* caused the British lion to growl. Germany was then much overextended in all of the international money markets. It has been estimated that she was conducting 90 per cent. of her commercial affairs on borrowed money. This figure is probably much exaggerated. But certainly she owed several hundred millions to Paris and nearly as much to London. New York was then, too, a large creditor and so was Russia.

#### HEAVY PERSONAL TAXES IN GERMANY

Quietly Paris began drawing down her balances in Berlin. London and New York followed. German bankers were startled and made protest but their loans were called from all directions. Then they tried to borrow in those countries politically hostile to them and offered high rates of interest to attract the American market. But the lenders were in concert on this one point that no funds would be advanced without the personal guarantee of the Kaiser that they would be used for "legitimate purposes"; that is, not against the lenders. A little later when the German bankers were asked by Emperor William if they were in a condition to meet the chances of war they were obliged to respond in the negative. Then came the famous command: "Gentlemen, when I next call on you I shall expect you to be ready." This is the first suggestion that war was brewing.

Two years later rumors of war loans in Germany began to filter through the money markets of the Continent and Prussian bonds began to decline. In the midst of a congestion of investments unparalleled in recent times, and with government securities in every part of the world lower than during this generation a huge Prussian loan was precipitated and it failed. The proceeds of this loan were, in large part, to meet the cost of the new military program that had recently been promulgated. Subsequent to thisasco there was proposed a tax on capital incomes for the expenses of the army so enormous that only an impending war could have justified it. This laid an impost on all incomes of both sexes as low as \$250 per annum and on all fortunes from \$2500 upwards. Kings and princes were taxed in the same ratio as clerks and small storekeepers. The Kaiser on his personal fortune of \$35,000,000 had to pay a tax of \$500,000, and on his income of \$3,500,000, an 8 per cent. tax of \$440,000. So his contribution to the war chest was nearly \$1,000,000. The Krupps are said to have been assessed \$3,000,000.

Economists agree that a tax on capital is a dangerous financial expedient and only warranted by extreme conditions. France, Spain, and Austria have all tried it in revolutionary times. That Germany should have come to it as recently as last January, when the law went into effect, was the second incident plainly showing that one portion of Europe, at least, was maneuvering for war.

#### THE FRENCH BOND ISSUE

The third suggestion of war came from Paris. The new military service laws in France were favorably reported in July, 1913, about a week after similar enactments had been made in Germany. The French Cabinet was at its wit's end how to finance the tremendous new military budget, as investment markets were sluggish and the portfolios of Paris bankers were filled with the I. O. U.'s of the Balkan states and with rapidly depreciating securities of Mexico, Brazil,

and Argentina. The utter inability of Paris to float a government loan of \$200,000,000 to the German frontier, of which Russia is so much in need, to meet the capacity of the conditions ruling then were sufficient without the Socialists' opposition to defeat such a flotation. Pending at that time in Europe as has the Czar. Austria has a mobilization were loans aggregating \$1,500,000,000. Of those assigned to Paris alone 50 per cent. or \$350,000,000, were to repair the ravages of war in the Balkans or to augment armaments on the Continent.

It was only when in her desperation Paris, by government order, closed her doors to all foreign loans, thus throwing away her proud title of "bankers of the nations" held since the Boer war, that she was able to meet her pressing domestic needs. The Viviani Ministry practically duplicated the plan of its predecessor in proposing an issue of \$360,000,000 3½ per cent. bonds, redeemable in twenty-five years in distinction to the perpetual 3 per cent. rentes, and subject to a 4 per cent. income tax. I was in Paris when preparations for this loan were going on and found there none of the enthusiasm for it that I had witnessed before the "wickets" of the great credit banks of France when other government loans were being offered. It has since been announced that the loan was oversubscribed; but it appears likely that the government gave strong underwriting support. The French public was not keen to pay additional war taxes.

#### EXPEDIENTS OF OTHER NATIONS

While Germany and France have been preparing against the day when ambassadors should be peremptorily dismissed, other members of European alliances have not failed to see the trend of events and be forehanded. In June, a year ago, we read what seemed then to be blustering words from the Belgian Premier, but which were instead prophetic. In announcing the government's intention to raise \$62,800,000 for military expenses he said: "We do not intend meekly to supply again a battleground for Europe. In the instant event of the breaking out of war Antwerp will be found an impregnable fortress."

Only a fortnight before the Archduke of Austria-Hungary was assassinated, the Russian Minister of Finance had informed the Budget Committee of the Duma that his country in the next five years must spend \$3,700,000,000 for the army and navy. This year's budget for military and naval defense requirements was approximately \$2,600,000,000 has been pended for similar purposes. This does not

include the cost of those strategic railroads to the German frontier, of which Russia is so much in need, to meet the capacity of the Germans who have three times as many railway lines available for mobilization purposes as that of her adversary.

As we know, Great Britain has been building dreadnoughts and maintaining her balance of naval power, out of the pockets of the British tax-payers who have been squeezed a little harder each year and have cursed a little louder at the unfairness of imposts on income.

Not so palpable a war measure as the loans described has been the bolstering up of the gold reserves of the great European banks in the last three years. There was some cause for this apart from financial strategy working with militarism. When it was explained as an economic necessity to meet the new competition for gold by India, China and South America the world at large let it go at that. There were times even when it was difficult to understand why Paris was paying such a price for American gold when she had the largest hoard of it in the Bank of France's history, or why the yellow bars took such circuitous routes as they did in going from New York to Berlin.

In consonance, therefore, with loans for war has been the addition to the gold reserves of Continental Europe. These are now \$500,000,000 greater than in 1911 when the Kaiser commanded his bankers to prepare. A large percentage of this gain has taken place in the past eighteen months.

So far as is known Germany is the only one of the nations at war that has a specific war fund. The famous fortress at Spandau is said to contain \$30,000,000 in gold to be employed solely for war's needs. This would not finance the routine requirements of an army such as the German Empire can put in the field for more than a fortnight; but its availability in case of unexpected attack would make it of double value.

#### EMERGENCY MEASURES

Governments, like corporations and individuals, have a way of anticipating loans and of creating floating debts against them so the proceeds are absorbed in paying off old bills and not in establishing reserves against future requirements. Undoubtedly a large portion of the capital secured by Europe in recent years for naval and military purposes has been translated into the fixed

forms of battleships, fortresses, cannon, guns, war aeroplanes and a multitude of minor agencies through which troops are mobilized and cared for when in active service. Even the House of Commons had voted her \$525,000,000 for "emergency purposes," and two days later \$500,000,000 more was granted by the British Parliament. These two items increased the national debt by about 28 per cent. The first of seventy-seven emergency bills authorized by the Reichstag,—immediately after war on Russia, France and England was declared,—was for a loan of \$1,-325,000,000, an amount which, in itself exceeded by 10 per cent. the existing debt of Germany and added 30 per cent. to the outstanding debt of the German Empire. France would like to borrow \$200,000,000 in this country, but the State Department has indicated that it would not be good politics to encourage this desire. A credit of \$540,000,000 as a war fund has been authorized by the French State Council.

#### WHO WILL BEAR THE BURDENS?

Obviously the costs of war must be borne by the man with property or a going business and by the wage-earner. The latter can adjust his month-to-month expenses so that the tax on him will be relatively small, as the tax on war chests in war time are usually lined by receipts from taxes on spirits, beer, tobacco, tea, coffee, and other non-essentials, as well as on documents and contracts with which the man with small income has little to do. Germany is already proposing a severe tax on all property in excess of \$7,500,000. Another unique German scheme which can hardly be credited is to commandeer the savings-bank deposits of the Empire, estimated to be worth \$4,000,000,000, and use them as a war fund, giving depositors government interest-bearing script in payment. This would obviate the necessity of a loan, but it might be found difficult for the banks to produce that amount of currency on demand. In order to do so they would have to liquidate their securities. This is impossible in these times of "moratoria" and closed stock exchanges. The savings-bank and postal deposits of the fighting nations are about \$9,000,000,000.

To fight the Boers, England issued \$1,-000,000,000 in consols. She has recently been buying back at 70 some of the bonds which she placed at a premium. Even this huge sum was not sufficient and extra taxes had to be imposed. In the Russo-Japanese

Japan, between March and November, 1905, issued \$425,000,000 in war loans, of which London took \$157,500,000; New York, \$141,500,000; Berlin \$66,000,000, and Paris \$60,000,000. It is an interesting fact that Japan was able to float a loan at a lower interest rate at the end of the war which had enormously increased her national debt and placed a mortgage on her remunerative government tobacco monopoly, than when she first started to fight Russia. In the same war Russian attempts at loans were failures as they always seemed unhappily to coincide with some reverse in Manchuria or on the seas. The Balkan Allies and Turkey have so far failed to pay the indebtedness they incurred in the bloody wars of 1912-13. Before Austria gave her ultimatum to Serbia both countries were prostrated industrially and financially.

War always brings out the fact that the resources of individuals are far greater than suspected and that wonderful vitality underlies what may seem impoverished surfaces. Witness Mexico in the past two years, ridden

by revolution, 60 per cent. of her transportation system out of commission, all but one of her eastern ports and gateways for commerce closed, and agriculture and mining abandoned in the northern states, and still supporting a great army with every money market of the world opposed to her. Bismarck never believed that France could pay the \$1,000,000,000 indemnity in 1870; but from every stocking in the empire came a tithe and the debt was liquidated in a few months. If the figures presented by the American Society for Thrift are approximately correct, the people of this country spend each year for intoxicants, soft drinks, tobacco, candy, chewing gum, automobiles, theatres, moving pictures and other extravagances the sum of \$4,000,000,000. This is about what different economists have reckoned to be the total cost of the present European war. Europeans are not so careless of their money as Americans, but they are not 50 per cent. more thrifty than we. The population of the nations engaged in war is four times that of the United States. So, if we estimate that 25 per cent. of all males may be drawn into the struggle and the earning capacity of another 25 per cent. be affected by it we can see where enforced economy would supply the reserves for many

The cost of war does not stop with the countries waging it. There is now before the Congress at Washington a series of taxa-

tion measures to relieve the United States from embarrassment due to the sudden stop to customs revenues. Of our import trade of \$1,850,000,000 as much as \$500,000,000 is with nations directly or closely involved in the war. A large part of this commerce is in the highest tariff-yielding articles. It is believed, therefore, that taxes will have to be imposed on American tax-payers to the amount of \$100,000,000 as a minimum to help defray the cost of the war abroad.

The public debt of the countries at war and the debt per capita follows:

	Public debt.	Debt per capita.
France .....	\$6,283,000,000	\$157
United Kingdom .....	3,500,000,000	80
Russia .....	4,550,000,000	30
Belgium .....	760,000,000	100
Germany, including		
Prussia .....	5,000,000,000	75
Austria-Hungary .....	3,750,000,000	80

The wealth of these same countries, to be drawn on to meet the cost of war, according to latest figures, is:

	National wealth.	Wealth per capita.
France .....	\$65,000,000,000	\$1,625
United Kingdom .....	80,000,000,000	1,800
Russia .....	40,000,000,000	250
Belgium .....	9,000,000,000	1,235
Germany, including		
Prussia .....	60,500,000,000	930
Austria-Hungary .....	25,000,000,000	500

The nations of the Triple Entente have an aggregate wealth of \$194,000,000,000 to which may be added the moral support of Italy and Portugal with a combined wealth of \$22,500,000,000. The members of the Triple Alliance, or Dual Alliance as it turns out to be, have a national reserve wealth behind them of \$85,500,000,000. But, as money power has, in this instance, failed to prevent war, so it may be ineffective in bringing war's successes.

## AMERICAN FINANCE IN THE WAR TEMPEST

BY CHARLES A. CONANT

AMERICAN markets have stood up during the past few weeks under a tempest of a character never before encountered since the creation of the modern mechanism of finance. For a few days it looked as though the entire machinery of banking and credit built up in Europe during forty years of peace had been brought to a standstill, and as if the American market would be compelled also to suspend its activities.

The New York Stock Exchange, under a torrent of orders from Europe to sell American securities held abroad, remained open until the close of business on Thursday, July 30, but was closed the next morning after a consultation between the governing board and big banking interests. In the meantime, the usual mechanism of foreign exchange had broken down, partly because shipping was threatened by the war and insurance rates for the shipment of gold had become prohibitive. Even such credits as were possessed by American banks abroad were in a state of suspense and drafts on England which should have been sold at the highest

at \$4.90 to the pound sterling rose to \$5.25 and even in some cases to \$6.

The seriousness of the situation abroad was manifested by almost every cable message which came from the great centers of finance, —London, Paris, Berlin, Amsterdam, Brussels, and St. Petersburg. The French and English governments promptly declared a *moratorium*, which means that the holder of documentary obligations, like bills of exchange

and promissory notes, can not enforce payment according to the terms of the obligation until the delay granted has expired. In France, the payment of specie at the Bank of France was promptly suspended; in Germany, gold was gotten only with difficulty and in trifling amounts from any of the banks; in Belgium, specie suspension occurred; and in Holland, similar action was accompanied by authority to the National Bank of the Netherlands to issue additional notes to the amount of \$200,000,000. In France, also, the limit of circulation of the Bank of France was increased at a jump from \$1,300,000,000 to \$2,300,000,000.

Even the rock-ribbed Bank of England was the arts and for exportation to India. Their subjected to a run for gold in exchange for total increase in gold holdings in eighteen its notes which cut down its reserve by more months was about \$360,000,000, and shortly than \$50,000,000 in less than a week and led before Austria delivered her brutal ultimatum to Servia at the close of July, the gold ultimately to the suspension of the bank act of 1844, which limits the amount of notes that can be issued without gold. London has long prided herself on being the clearing house of the world, and on being the only market where obligations were always payable promptly for their full value in gold. The very fact, however, that the London market was a clearing house for obligations from all over the European Continent and from Africa, Asia, and Latin America, which could not be collected promptly, naturally deprived her of the means of making her usual settlements and made it necessary to allow a breathing spell in order to reconstruct the machinery of exchange.

#### EUROPE'S PREPARATION FOR A CRISIS

This breakdown in European finance took place in spite of a long period of preparation for the stress of war on the part of far-sighted statesmen and bankers in Europe. The fact was clearly recognized after the Morocco crisis of 1911, which brought France and Germany nearly to the verge of war, that the European banks were inadequately equipped for a great struggle in arms. It is reported that the German Kaiser, near the close of the year 1912, called the governor of the Imperial Bank before him and asked if the bank was properly equipped for war. Being answered in the negative, he is reported to have replied: "When I ask that question again, I want a different answer." At once, the Imperial Bank set to work to strengthen its gold reserve, with entire indifference to the usual principles of political economy determining the free movement of gold. It appeared as a high bidder at the London auctions for the gold which arrived from South Africa every week; it husbanded all the gold which entered the bank in the course of ordinary operations; and it greatly expanded the issue of notes for 50 marks (\$11.90), and 20 marks (\$4.76), which had never been issued prior to 1906.

The bankers of France and Russia, witnessing this feverish activity in Germany to increase her gold resources, met her on the same ground. Within a year and a half, the three state banks of France, Germany, and Russia drew into their vaults an amount of gold equal to the entire production within that time which was available for monetary uses, exclusive of the amounts required in

turn to Servia at the close of July, the gold holdings of the Bank of France had reached \$792,160,000; of the State Bank of Russia, \$819,700,000; of the Imperial Bank of Germany, \$336,000,000; and of the Bank of Austria-Hungary, \$254,400,000.

#### THE AMERICAN MONEY MARKET

To these gold war funds, the United States contributed during the spring of the present year up to the end of June, about \$84,000,000 in the form of gold exports. When the war-clouds broke into storm, a new effort in Europe to turn other forms of wealth into gold caused gold exports from New York in three weeks of \$46,000,000, and sales of securities on the New York Stock Exchange which would probably have called for \$30,000,000 more.

The American market had remained, up to the very eve of war, comparatively indifferent to the gathering storm clouds in Europe. With a gold monetary stock in the country estimated at about \$1,700,000,000, the loss of \$100,000,000, more or less, caused little alarm. If the same situation had arisen in 1895, when the Treasury of the United States was on the brink of specie suspension, and it was necessary to make a contract with the Morgan and Rothschild houses to obtain \$65,000,000 in gold and to protect it by a monopoly of the market for exchange, the results to American finance would have been appalling. Attempt to control the exchange market by fixing high rates would have been futile against the feverish thirst for the yellow metal in Europe, which would not have been slaked nor greatly restrained by a trifling difference in the cost of getting it.

#### A STRONG POSITION

Fortunately, the finances of the United States were never in a stronger position to meet such a strain than in the closing days of July, 1914. Even on the stock market, liquidation had been so long going on and speculation had been so discouraging in its results, that there were only a few marginated accounts to be thrown over and only moderate loans outstanding on the part of the banks to commission-house brokers. In respect to its gold equipment, the United States was stronger in some senses than even Russia and France, with the mountains of the yellow metal at the command of their cen-

tral banks. The amount in gold certificates between the big financial interests in New York outstanding at near their maximum point on April 30, 1914, was \$1,158,997,000. These were quickly forgotten under the pressure of certificates represent simply deposits of gold in the general peril. The Democratic leaders on behalf of the owners in the custody of the government and are only a part, although large part, of gold resources of the country.

The Treasury could afford to look on with comparative indifference while certificates were turned into coin and the coin went abroad; for neither of these operations affected directly the legal tender reserve in gold, fixed by the gold standard law of 1900 at the sum of \$150,000,000, nor did they affect directly the "free gold" in the Treasury cash, which stood on July 31st at a point above \$130,000,000. Under the gold standard law, United States notes are redeemable on demand from the legal tender reserve of \$150,000,000, but when so redeemed may be exchanged for gold in the general cash of the Treasury, if gold is found there. Never since the enactment of the law in 1900, has the legal tender reserve fallen below the legal limit of \$150,000,000; and this reserve was buttressed by a fund of \$130,000,000 of free gold in the Treasury.

#### ACTION BY THE GOVERNMENT AND THE BANKS

When it became apparent, however, that the demands of Europe for gold might be almost limitless, if she could throw upon the New York market the great mass of American securities in which she had invested, prompt and energetic action was taken by the banking interests of New York and of the Government to protect the situation. First, on Friday morning, July 31, came the closing of the Stock Exchange; at a meeting of the Clearing House Committee on Sunday, Aug.

2, it was decided to issue Clearing House certificates for use between the banks of New York in settling clearing-house balances; and on Saturday, Aug. 1, the Hon. William G. McAdoo, Secretary of the Treasury, arrived in New York and entered into earnest conferences with the banking interests, with the result that the Treasury arranged for the prompt issue of emergency bank notes to enable the banks to substitute notes for gold certificates in the circulation and thereby husband their gold and build up their reserves. These reserves had fallen from \$466,577,000 for the week of July 25th to \$444,436,000 on August 1, and fell still further, under the pressure of gold exports, to \$386,589,000 on August 8.

If jealousies or distrust had existed be-

tween the big financial interests in New York and the administration at Washington, they would have expired by limitation on June 30, 1914, but for the forethought of Senator Owen, chairman of the Senate Committee on Banking, and Chairman Carter Glass, of the House Committee, and an amendment received the approval of President Wilson on Tuesday, August 4, doing away with this limitation and extending the authorized aggregate of new note issues from \$500,000,000 to 125 per cent. of the capital and surplus of the banks, or more than \$2,000,000,000.

It was probably fortunate for the country that the organization of the new system of Federal reserve banks had been delayed up to the breaking out of the crisis. The new system might have been very effective in protecting the situation if it had been in complete operation; but in a period of transition, which would have called for the shifting of considerable amounts of legal tender money from the old national banks to the new Federal reserve banks, it would have proved a source of embarrassment without having any completed powers of relief. In preparing measures, however, for meeting the difficulties of the situation, the Secretary of the Treasury had the assistance of those three members of the Federal Reserve Board, who had already been confirmed by the Senate,—Hon. Charles S. Hamlin, former Assistant Secretary of the Treasury; Mr. W. P. G. Harding, an Alabama banker, familiar with the conditions on moving the cotton crop; and Dr. Adolph C. Miller, a trained political economist.

#### EASING THE STRAIN

These gentlemen remained in New York during the period of acute pressure for currency and superintended the issue within a week of \$46,514,980, in new notes, to New York banks alone. The peculiar value of these notes in relieving monetary strain is that they can be paid out by the banks in response to calls for currency, whether from interior banks or from individuals, and thereby permit the banks to husband their gold certificates and build up their reserves. Incidentally also they equip the banks with increased lending power without dipping into their reserves.

Sanity gradually returned to the financial markets in London as well as New York as soon as the efficiency of the steps taken in both countries began to be recognized by the finan-

cial community. The Bank of England, foreign capital is invested to the amount of which lost in a week more than \$50,000,000 in gold, gained gold rapidly during the second week in August. The rush for the redemption of bank notes in gold was brought to an end when the government authorized the bank to issue notes in excess of the legal limit and put out notes for ten shillings (\$2.44) and £1 (\$4.88), which had not before been done since the recovery from the Napoleonic wars. The discount rate of the Bank of England, which was raised on Friday, July 31, to 8 per cent., and on the next day to 10 per cent., was reduced in the following week to 6 and then to 5 per cent., and accommodation was extended as usual to solvent clients.

The deadlock in exchange with the United States was partially broken by the same firm which had saved the United States Treasury from specie suspension in 1895. It was announced on Thursday, August 6, that the government of France had deposited with the Paris office of J. P. Morgan & Company, a sum of about \$6,000,000, which was subject to drafts by the French Ambassador in Washington. By means of checks drawn upon this fund, but delivered to J. P. Morgan & Company in New York, the French Government would be able to purchase supplies in the United States and the drafts would release an equal amount of money in New York, which could be applied to obligations of French bankers and importers to bankers and exporters in New York. A clever move in the same direction was announced by the Canadian Treasury Department was made a branch of the bank and custodian of the gold due the bank in New York. By this means the gold held on this side of the water could be counted as a part of the reserve of the bank against its note issues and deposit liabilities in England.

#### AMERICAN SECURITIES HELD IN EUROPE

Perhaps the most serious feature of the war panic abroad, in its effect on American finance, is the sending back of American securities held in Europe, to be unloaded on the New York Stock Exchange at any price for cash. For many years, a portion of European savings has been applied to investment in the United States, until the amount thus invested has reached, according to the computations of Sir George Paish, editor of the London *Statist*, no less a sum than \$6,000,- 000,000. In Canada, also, it is estimated that

more than \$3,000,000,000. The amount invested in the United States, which is principally in the form of securities, represents nearly the entire value of the annual production of the country, and more than half the aggregate assets of the national banks.

Securities issued for railway-building and industrial enterprises represent fixed capital which is the result of the savings of years and in modern times has come to exceed many times the amount of annual production. Obviously, it would be impossible for the United States to buy back, even at low prices, the entire mass of American securities which have been placed abroad. The problem, fortunately, cannot present itself in quite so crude and appalling a form, but the necessity of taking back even one-fifth or one-tenth of this huge mass of obligations would be sufficient to cause derangement in the market and serious declines in stock exchange prices. It was for this reason that it was necessary to close the Stock Exchange on July 31, under the torrent of frightened European selling, and it will be necessary to study the situation in this respect carefully before the American Stock Exchanges can be again opened for business.

#### DISTRIBUTION OF THE COSTS OF WAR

Even if the war should come to an end in a few months, the echo of its disturbing effects would be felt in the market for capital, because of the considerable loans which it would be necessary for the governments involved to offer to the public. Experience in former wars has shown that the countries which prepare to absorb new issues of their national loans do so by quietly reducing their holdings of foreign securities. In time of peace, this would not be done with the precipitation and sacrifice of values which occur under the threat of war, but the effect would probably be to depress the price of other securities and make it difficult to obtain capital for new enterprises while the costs of war were being distributed over the world's money markets.

America, therefore, whatever her temporary profits from an enhanced demand for certain products and the opening of new opportunities for her commerce and shipping, will be compelled to bear some share of the loss caused by the consumption of hundreds of millions of the world's savings in supporting contending armies and keeping them supplied with the weapons of destruction.

# THE WAR AND OUR OCEAN TRADE

BY WINTHROP L. MARVIN

**W**ITHOUT undertaking to consider the seenger accommodations and a considerable causes, the fact is that when Great Britain, Germany, France, Russia, and Austria plunged into war in the midsummer of 1914, their merchant ships and the ships of the few maritime nations remaining neutral were carrying 92 per cent. of the overseas trade of the United States,—a trade which in the latest fiscal year was valued at nearly four billions of dollars. Our principal carriers were Great Britain and Germany, and the ships of the latter's flag were at once removed from consideration,—bottled up at home or abroad by the superior naval power of the enemy.

There ensued, of course, a paralysis of export and import commerce that struck at the prosperity of every part of the nation. What happened was precisely what Washington and Jefferson had foreseen in the last years of the eighteenth century. Then they aroused their countrymen to vigorous measures of self-defense, and in a few years the danger was averted,—the United States became a mercantile marine power of the first rank. If the same result follows upon the present acute emergency, the loss and suffering now inevitable will not have been in vain.

## ONLY SIX TRANSATLANTIC STEAMSHIPS

But this looks ahead, and present conditions demand all immediate attention. At the outbreak of the war, the American flag was flying over only six steamships out of the two or three hundred liners regularly engaged in the great transatlantic trade between the ports of the United States and the ports of Europe. These six steamships, which have since proved too conspicuous and useful as the favored refuge of returning American tourists, are the *St. Louis*, *St. Paul*, *New York*, and *Philadelphia*, of the American line from New York to Cherbourg and Southampton,—20-knot passenger, mail and express freight vessels of 11,000 and 10,000 tons,—and the *Finland* and *Kroonland*, 16-knot steamships of the Red Star line from New York to Plymouth and Antwerp,—vessels of 12,000 tons, with excellent pas-

cargo capacity. Not one of the latest Atlantic leviathans has sailed under the Stars and Stripes. All of these six American steamships are in the service of the International Mercantile Marine Company. The four first named are the regularly subsidized transatlantic postal fleet of the United States, and the *Finland* and *Kroonland* were built in anticipation of a later subsidy measure which was not enacted.

Occasionally an American steamer of the coastwise fleet, chartered for a particular purpose, makes a voyage to Europe, but these six steamers represent the entire shipping facilities available under the American flag in the regular transatlantic trade when the great war opened. Immediately the six ships were sought by all Americans in Europe who could secure passage by them and realized the safety that lay in the folds of their country's flag, and they have been and will continue to be sought for the same reason by the shippers of bullion and valuable cargo.

Besides these six American steamers, the war at the outset left neutral a few small steamship lines under the colors of Spain, Portugal, and Scandinavia. The Holland-America steamers have been forced to traverse a danger zone, the Belgian steamers of the Red Star line went almost immediately into the belligerent class, and a hazard of eventual participation clings to the steamship lines of Italy.

## MORE SHIPS IN THE WEST INDIES

This was a grave crisis from the standpoint of ocean transportation, for the United States lost at once the dependable use of its principal ocean carriers. Not only were the regular lines affected, but the slow freighters, the wheat and cotton ships, belonged chiefly to the belligerent nation. They were held at home or at distant ports, and with almost two-thirds of the cotton crop and many millions of bushels of the huge grain crop demanding markets overseas, the United States has been involved by the war in an incalculable misfortune. For it is only in Eu-

rope, convulsed by the war, that the great bulk of our surplus cotton and grain can be disposed of,—relatively small quantities having been sent to the ports of other continents.

Though the war in its first effects crippled steamship communication on the transatlantic routes, it has had no such disastrous results on the routes to the West Indies and the nearer ports of Atlantic South America. American shipping holds a respectable place in the trade of the Caribbean region, and about one-half of the entire commerce of that region is and long has been with the United States. A strong American steamship service,—that of the Ward line,—connects Mexico, Cuba, and the Bahamas with New York. This is a mail-subsidized service, and so is that of the Red D line from New York to Venezuela via Porto Rico. Our West Indian colony is under the coastwise laws and possesses communication in ships of several American lines with New York and ports of the Gulf of Mexico. The Panama Railroad Steamship line, another American service operated by the War Department, runs from New York to Colon. The Clyde line runs to Santo Domingo, and the Southern Pacific line from New Orleans to Cuba, which has steamship connections also with the Florida peninsula.

Ships of the large fleet of the United Fruit Company, sailing under British and other foreign colors (because of higher American wages and severer requirements of American law) but so securely American in ownership that they are not likely to be disturbed, ply between our Atlantic and Gulf ports and Jamaica, Cuba, Central America, and the Isthmus of Panama, and the Munson line, also with American owned ships of foreign register, is an important factor in the Cuban trade. The United Fruit Company may come completely under the American flag. The Atlas line of German steamers has been withdrawn from the New York-West Indian service, but otherwise our West India communications have not been and presumably will not be seriously reduced.

Nor is there any hazard in the war to what is now the most important steamship service under the American flag,—the long-voyage coastwise service through the now-open Panama Canal, between the Atlantic and Pacific seaboard. The intelligent and active preparations for this trade which have been made by American steamship companies were described in an article in the REVIEW OF REVIEWS for May, 1913. Since that

time, the list of available Panama coast-to-coast steamships under the American flag has been increased by other new vessels and new companies. The American-Hawaiian Company has completed its great fleet of twenty-six steamships of a total dead weight capacity of nearly 300,000 tons; the Emery Company, of Boston, has appeared upon the route, and the International Mercantile Marine Company has confirmed its purpose to offer a passenger service that will become available as soon as the war will permit. These Panama steamers are all of bona fide American ownership and register, the great present hope of our merchant marines. They are sufficient in number to provide a sailing from the Atlantic or the Pacific every business day throughout the year.

On the Pacific, one American steamship of the Great Northern Company from Puget Sound, and four or five steamships of the Pacific Mail Company from San Francisco, run to Japan, China, and the Philippines. The Oceanic Steamship Company operates a re-established postal subsidy line from San Francisco to Australasia. The Pacific Mail maintains a service from San Francisco to Central America and Western Mexico. Thus, in spite of the general weakness of the American merchant marine in foreign trade, there are routes upon which the Stars and Stripes still hold a place of dignity and power. There is, however, no American steamship line to the greater countries of South America, with the exception of one freight line operated by the United States Steel Corporation with chartered ships of the American-Hawaiian Company from New York to Brazil.

#### RIGHTS OF NEUTRAL CARRIERS

The catastrophe of the war is heaviest in the vast, rich commerce of the North Atlantic. Both the grain and the cotton crops are coming forward. Where are the ships requisite to carry them? The important service of the two great German steamship companies, the Hamburg-American and North German Lloyd, has ceased to exist. A merchant ship of a belligerent, even laden with cargo that is in itself non-contraband and even bound to a neutral port, is a lawful prize of war. Great Britain and her allies dominate the sea, and German ships and Austrian ships are for the time being eliminated from international commerce.

Ships of neutral nations can nominally trade to all ports, even ports of belligerent nations that have not been formally blockaded, but in effect the widening of the defin-

tion of contraband to include conditionally even such articles as food stuffs very seriously circumscribes all practicable war-time commerce. Petroleum, another of our most important exports, is absolutely under the ban as contraband, and even such harmless articles as cotton or woolen cloths are liable to seizure and confiscation if of the nature of military uniforms.

The truth is that in a great world-shaking war many settled principles of international law are sure to be denied or disregarded. Each belligerent on the ocean assumes to be a law unto himself. Theoretically, until formal blockade is proclaimed, as was done by our Government in the Civil War with the ports of the Confederacy, an American ship or any other neutral ship has a right to carry a clearly non-contraband cargo to Bremen or Hamburg or Trieste. But, as a matter of fact, no American or other neutral ship will dare to do this, except as a desperate speculation. The North Sea is already filled and the Adriatic may soon be with mines, fixed or floating, those deadliest devices of twentieth century war. It is the misfortune both of Germany and of Austria that their coast lines are relatively short and readily closed by an enterprising enemy, and direct communication with their ports even under a neutral flag can doubtless be regarded as an impossibility for the present. Whether or not a blockade is proclaimed, a blockade actually exists, and Germany and Austria must be dismissed from consideration as consumers of products of the United States,—save, indeed, for what small commerce may persist through the ports of Holland, Scandinavia, and Italy, so long as these remain neutral states.

But the ports of Great Britain, except those on the northeast coast, and the ports of France ought to remain open to the neutral commerce of America. Already a large part of the service of British and French transatlantic steamship companies is being cautiously resumed. This points to the possibility of bringing home all the American refugees from Europe in the next few weeks, without any extraordinary efforts by our Government.

It must be expected, however, that the British and French steamship schedules will be liable to interruption throughout the war, because of imperative demands of the home government for ships for transport or other auxiliary service. These lines cannot be depended on in war as they could be in peace. It must not be forgotten that the German

navy contains some of the swiftest and most formidable cruisers in existence. One or two of these ships, slipping out of the North Sea through the British blockade and falling on the transatlantic route, would create a panic and make insurance rates on British and French merchant ships prohibitive. This danger is liable to increase as the war continues and the situation of Germany, ringed in by foes, becomes more desperate. Americans will remember that the Confederate commerce destroyers were relatively harmless in the first year of the Civil War, and that their sharpest depredation occurred in the years 1863 and 1864,—indeed, one of these rovers, the *Shenandoah*, did her deadliest work after the war had ended.

#### WHAT CAN BE DONE?

Already freight rates to north European ports have doubled, and there has been an increase of 50 per cent. in the rates to countries outside of the war zone, to Africa and South America. Insurance rates also have attained excessive figures, though they are significantly low for ships flying the American flag, of unquestioned American ownership, on the American register before the war began. The United States, as the greatest and most powerful of neutrals, is in a position to command respect for its own ships and its own citizens. It is very fortunate for the country that the American navy because of the quality of its ships, guns, and personnel is a factor which no belligerent would lightly draw into the scale against it.

Our Government in this crisis should insist with firmness on full neutral rights for all its ships and cargoes. If the nation possessed a great mercantile marine, or was rapidly creating such a marine, this would be an unexampled opportunity. Undoubtedly there will be additions to our overseas tonnage from the larger vessels of the coastwise trade. Some of these have already been chartered and others are being offered by their managers. The Clyde and Mallory lines and their allied companies have signified that eighteen steamers to carry grain or cotton are at the service of the Government. The American-Hawaiian Company has other and larger steamers ready. It so happens that because of the general depression in domestic business many American coastwise vessels have been lying idle in port awaiting an improvement in trade or the opening of the Panama Canal. Seventeen such vessels have been unemployed at Boston, thirty at New York, and more than forty at San Francisco.

Some are too small for profitable overseas and managing directors are American citizens. Further to encourage the naturalization of foreign-built ships, the President is authorized in his discretion to suspend the requirement of existing law that the officers of American ships shall be American citizens.

One factor, beyond the lack of ships, which has temporarily crippled the export trade is the breakdown of exchange. This is a financial and not a transportation difficulty and it can be remedied. Another factor of discouragement has been the heavily increased insurance rate, so high as to leave small profit to shipowners and owners of cargo. But this difficulty will be lifted with the adoption by Congress of the plan recommended by President Wilson for the government insurance of ships of American register.

#### THE EMERGENCY SHIPPING MEASURE

Vigorous insistence on the rights of neutrals, the use of coastwise vessels wherever practicable, and national insurance of American vessels will be straightforward and practical methods of relief of the war congestion of our export and import trade. Congress has already at this writing passed the emergency shipping measure in the form in which it was sought by the Administration. This bill passed the House after a very brief debate. In the Senate, an unwise attempt was made to take advantage of the emergency in our overseas shipping business to force foreign-built ships into the coastwise trade, which had been reserved for more than a hundred years to American ships and American citizens. This ill-timed attempt would have destroyed the prosperity of our coastwise shipping and would soon have destroyed shipbuilding in America. If it had been successful it would have defeated the purpose of the emergency shipping bill, which was to provide foreign-built ships for the carrying of our overseas commerce. Such ships, if admitted to American registry, would have preferred the coast trade to the overseas trade, because of the greater security in the domestic traffic from interference by belligerents.

Fortunately, the prompt and vigorous opposition of the merchants, shipowners, and shipbuilders was heeded by the public men in Washington and the attack on the coastwise trade which would have resulted so disastrously for the country was defeated in the Senate by a vote of two to one.

Then the original emergency shipping bill, as the House had framed and passed it, was adopted. This provides for the admission to American registry of foreign-built steamships, without regard to age, owned by American citizens or by American corporations, of which the president

The new law in its terms actually grants a valuable preference to foreign-built ships over existing ships on the American register. It is an unmistakably liberal proposition,—an urgent invitation to the ships of the world to seek the American colors. Indeed, American ownership may be merely nominal, for it can be secured by foreign capital through the simple expedient of organizing an American corporation in which only three or four officers need be American citizens, holding the few shares of stock necessary to qualify.

Unknown to many of the people of this country, a free-ship policy had been in effect here ever since the enactment of the Panama Canal act of August 24, 1912. This admitted to American registry for the foreign trade any foreign-built vessel, less than five years old, owned by American citizens or an American corporation and capable of being certified after inspection as fit to carry dry and perishable cargoes. Not one ship of any kind was actually admitted to American registry under the provisions of this law. It proved an absolute failure, because no compensation was offered for the higher wages of American officers, for the higher wages of crews if shipped from American ports, for the higher cost of food and general maintenance on ships under the American flag, and for the foreign subsidies and bounties that would have to be relinquished by some foreign ships if transferred to American registry.

#### GOVERNMENT OWNERSHIP DANGEROUS AND INEFFECTIVE

Recognizing already that even the broader free-ship proposition will fail of adequate result, President Wilson has brought forward a new and radical expedient,—government ownership of steamship lines. The maximum of \$30,000,000 which the President asks Congress to appropriate for the purchase and operation of foreign-built steamships in government lines under the American flag is only a small fraction of the amount requisite to create an adequate fleet. The proposal is a makeshift, and a perilous makeshift, for the

mere introduction of it has aroused resentment abroad and provoked warning that the American nationality of ships bought from belligerents in this belated and dubious way would not be accepted for a moment. Thus both the emergency shipping measure and this later plan of government ownership involve grave risk of international complications. Though Great Britain did not sign the London conference agreement of 1909, the following declaration is at least morally binding as the latest expression of international opinion:

The transfer of an enemy vessel to a neutral flag, effected after the opening of hostilities, is void unless it is proved that such a transfer was not made in order to evade the consequences which the enemy character of the vessel would involve.

One steamship service is now owned by the Government,—that of the Panama Railroad Steamship Company, acquired from the French with other assets of the old canal. This line, though favored in the transportation of government supplies, has incurred heavy deficits in some years when privately-owned competing lines earned reasonable dividends. It is an unfortunate precedent; the experience of the United States in ocean trade with the one line which it controls is not encouraging.

The great, unmistakable lesson of this war to the American people is that an adequate merchant marine can no more be improvised in an emergency than can an adequate fighting navy. The heavy cost of our lack of American ships will be borne throughout the war, not by the maritime States, but by the cotton-growing States of the South and the wheat and the grain-growing States of the Middle West, many of whose public men and public journals have for half a century shown themselves indifferent or hostile to every effort to create an American ocean shipping.

It was these influences, from the interior of the country, that defeated the earnest efforts of President Roosevelt and of President Taft to secure national aid for the establishment of steamship lines to South America and across the Pacific Ocean. Both Mr. Roosevelt and Mr. Taft pointed out that the inland States needed a merchant shipping even more than the seaboard States. But inland statesmen caused the defeat of the shipping bill by narrow majorities in the House of Representatives.

Their own people, their own agricultural constituents, are now paying the penalty, and, in spite of all efforts to prevent it, that penalty will have been a heavy one before this war is ended.

More than a century ago, President George Washington and Thomas Jefferson, his Secretary of State, warned their countrymen in a joint communication to Congress that dependence upon foreign nations as our sea carriers was a costly blunder, for aside from the disastrous effects upon our shipbuilding and seamanship which these two great Americans vividly pictured, "our products, carried in foreign bottoms, would be saddled with war freights and insurance in time of war."

Congress listened, and passed one after another laws that brought the American tonnage registered for overseas commerce up from 123,000 in 1789 to 667,000 in 1800 and to 981,000 in 1810. At the beginning of this period, American ships were carrying 23 per cent. of this country's imports and exports; and at the end of the period, they were carrying 91 per cent.

Many of the admonitions of the founders of the republic have been remembered, with profit, by subsequent generations; this, quoted above, has been forgotten. Another great world-war, as vast and terrible as the Napoleonic struggle, has found the United States as unprepared and helpless to safeguard its overseas trade as it was in the first administration of Washington. That this is so is going to prove the shame and the loss of the American people.

There are people,—thousands and tens of thousands of them,—on the continent of Europe who will go hungry in the autumn and the winter, if the war continues, because of the lack of American carriers for our abundant foodstuffs. The warring soldiers have left the harvests standing in the fields. The havoc of march and battle over these fields will be tremendous. There will be a grave shortage of food this year in Europe. Great Britain may manage to provide ships to bring supplies for her own people, but she cannot do much more. An American merchant marine of unquestioned nationality,—not a merchant marine of suddenly "whitewashed" ships,—would now be a boon to the world,—to the people whom its safe neutral carriage could succor, as well as to the people whose products it would deliver and whose flag it would fly.

# THE TWO GERMANYS

BY OSWALD GARRISON VILLARD

WHAT attitude shall conscientious German-Americans take towards the war of nations now convulsing Europe and particularly towards the country of their ancestry? The question is one to cause no end of heart-break, not only to them but to numerous Americans as well, who for one reason or other find themselves in debt to the Kaiser has sources of information not open to the public and knew he had to strike or be overwhelmed?

There are plenty of other reasons given in defense of the Kaiser. He is a new St. George slaying the Slavic dragon who would destroy the civilization of Western Europe. He and his people are the victims of British conquests on the seas and in the marts of the world. A hatred of forty-three years and a never-quenched desire for revenge explain the actions of the French as well as their alliance with the Czar of all the Russias. Misinformation, ignorance, garbled despatches from French, Belgian, and English sources, and lack of appreciation of the fact that the Kaiser is the true protector of the intellectual aspirations and the superb idealism of his people,—all these are the reasons why public sentiment in the United States is on the side of the Kaiser's enemies. In brief every man's hand has been raised against Germany because, as the Kaiser put it, God has been with her; she has prospered exceedingly and the wicked now rejoice that evil days have come upon her. This and much more is put forth by those who are for "Deutschland, Deutschland über Alles."

What intensifies the difficulty of the German-American is that there are two Germanys. One is that of the Kaiser and of the military autocracy, those who believe in the divine right of rulers, in the mailed fist, in government by aristocracy, in might as one of the autocrats,—totally different, infi-against right, and have taught the doctrine nicely nobler. It is the Germany of the that peace can only be assured if all the great souls who have really made the spirit nations be armed to the teeth. Its adherents of the nation, its thinkers, its teachers, its

are those who see in the *Waffenrock* another hat of Gessler, before which the public must bow. They uphold the officers who cut down lame cobblers or run through civilians down at some fancied insult, and applaud those wearers of the uniform who resort to the numerous Americans as well, who for one duel, long since outlawed by the enlightened reason or other find themselves in debt to the sentiment of the world. These are the German learning or German kindliness. mans who entrench in power the ennobled Should they imitate the multitudes who are and enriched classes; who are without trust shouting "Germany, right or wrong!" and in the people and are utterly opposed to any waive all effort to place the blame by some extension of democracy, relying for aid upon such conscience-salve as the phrase, "The a subservient bureaucracy; who support the Kaiser has sources of information not open to the public and knew he had to strike or be overwhelmed?"

sians protested last year on a single day. Incidentally they are of the type that gives so much offense to the rest of the world. They are arrogant and supercilious and frankly without faith in anything save the power of the sword. It is they who have dictated the foreign policy which has made friends of practically nobody. It is they who under Bismarck's leadership originally entered in 1882 the game of taking the lands of backward races, in which all their neighbors and we ourselves have indulged. It is they who give the utterly false impression that all Germany has been bent on conquering where it could. It is they who make a large part of the world forget that the Germans are among the most lovable, useful, and enlightened of people; that they are bound to us by ties that ought to be indissoluble. Have they not enriched our blood? Did they not come to us by the hundred thousand, fleeing from home because of a noble idealism which they transferred to our country, pledging their faith with their blood upon our battlefields of civil strife,—but always on the side of the Union and human liberty?

Surely no German-American who really believes in republican institutions, in popular government, in the ideals of Washington and Lincoln, can uphold this Germany.

But there is another Germany besides this in government by aristocracy, in might as one of the autocrats,—totally different, infi-against right, and have taught the doctrine nicely nobler. It is the Germany of the that peace can only be assured if all the great souls who have really made the spirit nations be armed to the teeth. Its adherents of the nation, its thinkers, its teachers, its

scientists, its civic administrators, its poets, only the laws which are silent between arms; its glorious musicians, its philosophers, its all intellectual and spiritual activities cease idealists, its patriots of the wars for freedom and of the lost struggle for liberty in 1848.

#### OUR DEBT TO INTELLECTUAL GERMANY

To this Germany thousands of Americans owe a debt of never-ending gratitude. From it hosts of our teachers, our professional men without number, and others in every rank of life have drawn their most cherished inspirations. To it we owe in considerable measure our university development; from it came in large degree the impetus towards the glories of our American progress in the last two decades. From this Germany Lloyd-George has plagiarized those plans for the improvement of the welfare of the masses which have made him at once the best-beloved and best-hated man in Great Britain.

In the civic care of its own this Germany has led the world, with all to do it reverence. It has known best how to build the city beautiful and made good and progressive government the birthright of all its urban dwellers. In no other nation has science in the same degree become the partner of commerce and of industry. Nowhere else has there been a keener, if as keen, an intellectual freedom among those whose lives are dedicated to the pursuit of truth, or to the instruction of the young. Nowhere has there been a greater reverence for the aristocracy of intellect or as generous a recognition of its achievements. To sit at the feet of its inspired teachers, men and women have come from all quarters of the globe knowing that in a hundred fields this Germany led the world.

And it is this Germany which to-day lies prostrate before us. It is this Germany which is being slaughtered, whatever the reason or the excuse for the war. On behalf of this Germany any really enlightened ruler must have stood for peace against the world, no matter who might be mobilizing or where. To the support of this Kingdom the whole intellectual world would have risen,—it did in England,—had the Kaiser but cried out its need and asked for allies to defend and not to break the peace. For it anyone who realized its moral grandeur and worth ought to have been willing to have abdicated rather than to plunge it into the abyss, the hell of war.

But there it lies to be ravaged by its defenders and its enemies at will. For it there who have obtained power, every victory, whoever wins. It is not

only the laws which are silent between arms; when men's sole thoughts are to kill, to destroy, to immolate, to make a mockery of Christianity. A whole generation is to be wiped out; the flower of the land between the ages of nineteen and twenty-four is to be sacrificed at a despotic ruler's will; perhaps another Goethe, a Schumann, a Helmholtz, are to be cut off in their youth; all the talents these boys possess is certain to go for naught. Those who survive are to be brutalized by the most frightful spectacle of human carnage the world has ever seen,—by a sudden reversion to the stone age; to preach thereafter the long outworn and blasphemous doctrine that God is on the side of the mightier battalions. If those of the Kaiser prove to be the better drilled so as to kill the greater number of their fellow human beings, intellectual Germany will not profit but will suffer thereby.

#### A HATED NATION

It is not merely that its spiritual growth has been checked and that the pursuit of knowledge is at an end. A terrible blow has been struck at Germany as the seat of wisdom. International bonds of infinite worth have been sundered not to be reunited for decades to come; the Germany of calm, has staked the Empire itself, as well as every achievement of the nation-builders of 1870 and of those who have erected the great commercial edifice which has been the wonder of the world. If there is envy and jealousy now among the other nations, will not these feelings give way to helpless rage, to bitter enmity, to dread and fear if the greatest of military machines should triumph? Will not there be another Napoleon only a shade less dangerous than the over-lord of a century ago, to inspire distrust and to court another Waterloo?

And if Germany is conquered and lies prostrate in sackcloth and ashes what endless humiliation will be hers! What dreams of revenge upon all the world may not then fill the minds of those who so gaily set out to Is it not certain that whatever the outcome, Germany will for decades be the most hated of nations? Every reactionary element in the German Empire, every privileged class,

every believer in the divine right of the few and imperialistic tendency will have been

strengthened at the expense of the liberalism everywhere by iron castes. Their villages and culture of Germany,—a Germany burdened with a horrible millstone of debt,—of which it can shift only a part, at best, upon the conquered, if it wins.

Here is precisely where a chief wickedness of the war policy lies. Nearly four million of German citizens have enrolled themselves in a party to belong to which the Kaiser declared at Essen a few years ago was to commit treason to the nation. These traitors now have been forced into the ranks, but the evils against which they protested are no less, their devotion to their cause is the same.

They have fought imperialism at every turn, only to be bound and delivered peril now by the old snares, the old teachings that one's country must be upheld in war time; that it is proper to commit murder if one but murders by the wholesale,—teachings that are to-day doing their anti-Christian work in England, France, Russia, and Austria as well. The cause of liberalism is the chief political hope of Germany, as against the rule of the Prussian Junker, the grasping landlords, the insolent tariff barons, a bigoted Catholic clergy as in Bavaria, and the military and the aristocratic castes which do more to recruit the Socialist party than all their own leaders combined. It is not because of such government by the few, as he is liberal, the cultured Germany of to-day is what it is. What might it not be if its intellectual freedom were to be typical of the freedom of the masses? How much greater might not be the spiritual kingdom which it has built for itself under these conditions?

#### THE GERMAN MASSES ENLIST OUR SYMPATHY

The masses of the Kaiser's empire! To them surely the sympathy of the world must go out as to the poor Belgians who died about Liège without knowing why, realizing only that a hell of shot and shell had burst without warning upon them as lightning from the sky. On the heads of the German masses lies not the blood guilt. They come from smiling homes, from the castled hills of Thuringia, the vine-clad banks of the Rhine, the plains of Prussia, the poppy fields of Bavaria. They and their kind have been rising steadily against fearful odds, helped on by favorable social legislation, held back by the heavy taxes imposed by the military Moloch, and by their three years of army service; hampered in the cities by grinding poverty and checked

have only just begun to grow, to give signs of a development corresponding to that of the cities; to them have come at least the harbingers of social justice; something of

the prosperity of the nation was beginning to be theirs. But now the mother of every son between nineteen and twenty-four years must know her boy upon the firing-line, to destroy the sons of some other mother,—

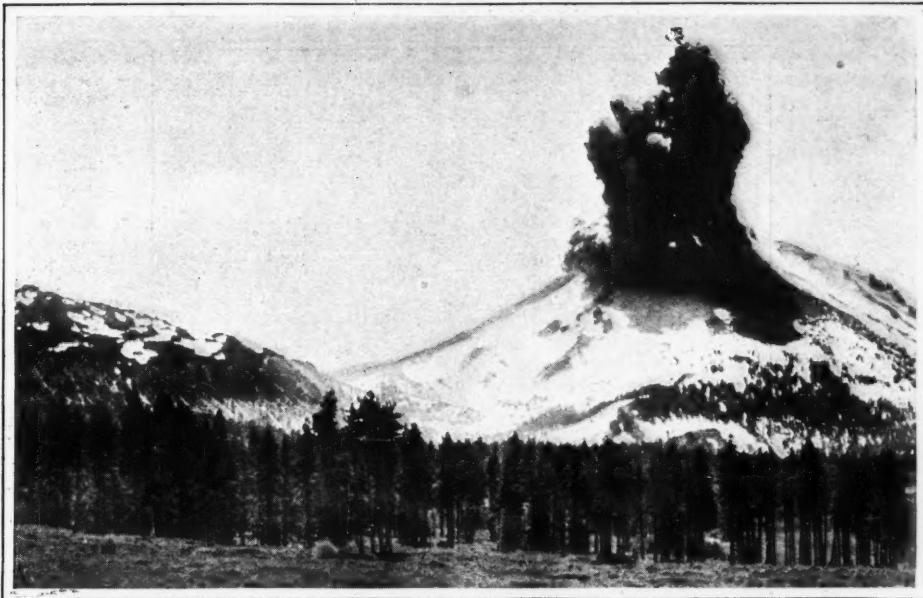
For these solid peasants, the backbone of the country, war can bring nothing save woe the same. Will it avail to tell them that the Slavic at every turn, only to be bound and delivered peril must be combated; that in this world-war Destiny speaks and that it had to come one's country must be upheld in war time; sooner or later? Are they not inevitably to count the cost when the slaughter is over?

Will they not more than ever turn to the "party of treason," which dictates that such things shall not be? Will they not turn to

anyone who teaches that it shall be taken out of the hands of one man or a group of men to say whether a nation shall return to barbarism and slay the best that is in it? For a German-American whose heart goes back to the country that gave him or his fathers birth there should be no difficulty in deciding where his sympathies should lie, if he be truly an American citizen. Sorrow places reason above emotion and sympathy, he can but withhold his support from the Kaiser who approved in principle the Austro-Hungarian ultimatum to Serbia and made no better than a dicer's oath the solemn promise of the Empire to respect the neutrality of Belgium. If he be loyal to the principles of this republic the German-American can only hope that absolutism has brought about its

own downfall; that this may mark the end of Kaisers, as of great armaments. If he go out as to the poor Belgians who have owed anything to the great minds of Germany, its men of peace, of knowledge, science and art, let him now pay the debt by being true to their ideals. He might well remember that Goethe himself faced a German army, when it had been beaten by ragged French republicans, to assure it that then and there a new epoch had begun.

The immeasurable sins of the rulers of Europe and their militarists can only be expiated now by the beginning of a new epoch which shall mean that the masses shall be the kings of Europe as they are the rulers with us to-day; that the last vestiges of feudalism shall be swept away to make room for government by and for the peoples.



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LASSEN PEAK, CALIFORNIA, IN ERUPTION ON JUNE 9, 1914

## VOLCANIC ACTIVITIES ON THE PACIFIC COAST

BY GUY ELLIOTT MITCHELL

THE volcanic disturbances which are affecting the mountain backbone of the Pacific Coast indicate the possibility of an era of Vulcanism which may be of no little significance to North American civilization. Until the last few years it had been generally assumed that the ten or a dozen great volcanic peaks of the western United States, as well as the many volcanoes of Alaska, were, in a general sense, extinct, although with many of them surrounded by boiling springs, geysers, fumaroles, steam caves, and like phenomena it has been recognized that Vulcan is still alive.

The present eruption of Lassen Peak, however, is good evidence that we have right in the United States a very live volcano, while some of those in Alaska have proven far more active. In fact, it is now known that the eruption of Mount Katmai in 1912 was one of the most violent volcanic outbursts of historic times, and had this volcano been situated in one of our Western States instead of in a practically unpopulated region, it would have been accounted a world's disaster.

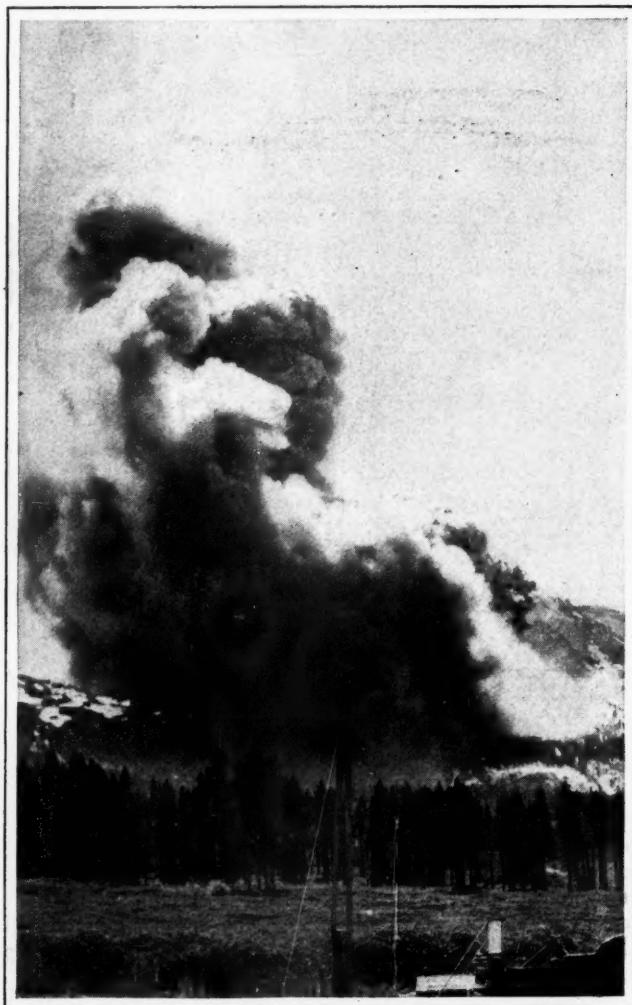
During the present season Katmai has again been reported in active eruption, along with

Mount Shishaldin and Mount Redoubt; while Mount Wrangell, a vast live volcano 14,000 feet high, is more or less continually steaming and smoking, and Bogoslof, an outlier of the Aleutian Range, periodically sinks and rises from the ocean.

Government geologists have visited both Mount Katmai and Lassen Peak, and have made interesting reports on the eruptions, but scientists as a rule are conservative. Nevertheless, it is a well-recognized fact that the entire mountain region of the West from Panama to Northern Alaska is geologically young; the volcanoes of Central America are

not extinct, those of Alaska can be no longer considered extinct, and Lassen Peak, while it has as yet not proven itself a very dangerous volcano, is likely at any time to develop into one. Geologist Joseph S. Diller, of the United States Geological Survey, who recently reported on this volcano, says that while "the volcano may subside to its former quiescence, we must not forget that it was only the top of the old Vesuvius which was blown off to make the Monte Somma and

the Vesuvius of to-day, that Krakatoa blew up from the very base with tremendous ef-



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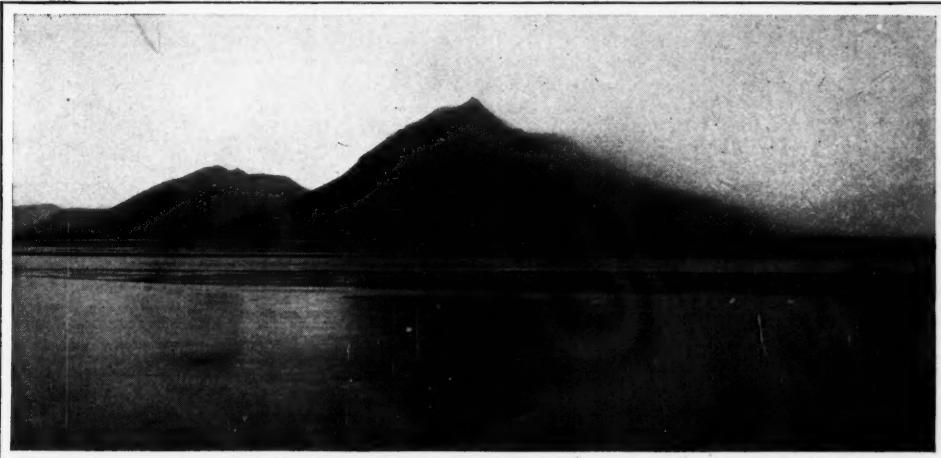
ANOTHER VIEW OF THE LASSEN PEAK ERUPTION

fect, and that while there seems no good reason at present to predict a Krakatoan outbreak at Lassen Peak, yet the part of wisdom indicates a close watch, for eruptions as a rule break out suddenly."

With the United States, therefore, between two such active volcanic areas as Mexico and Alaska, it is a matter of some interest to speculate upon the possibility at least of the rejuvenation of some of the great cones of the Pacific Coast which are directly connected with Lassen Peak by geologically recent lava flows, such as Mounts Shasta, Adams, Hood, Baker, and Rainier, besides many others less prominent. Lassen is the southernmost of this chain of volcanoes extending along the Pacific Coast from North-

ern California to British Columbia, and if now the Lassen Peak eruptions continue with increasing energy, becoming more and more violent and culminating in such an eruption as that of Mount Katmai in Alaska, may not these activities be transmitted to the other great volcanoes which geologists state are all included in one system and all connected by relatively recent lava flows?

The eruptions of Lassen Peak, although sufficiently terrifying to those who witnessed the vast clouds of smoke and steam pouring out of the new crater, resulted only in a new crater about 400 feet long and not over 100 feet in depth, but the eruption of Mount Katmai blew an estimated twelve to fifteen hundred billion tons of rock and pumice into



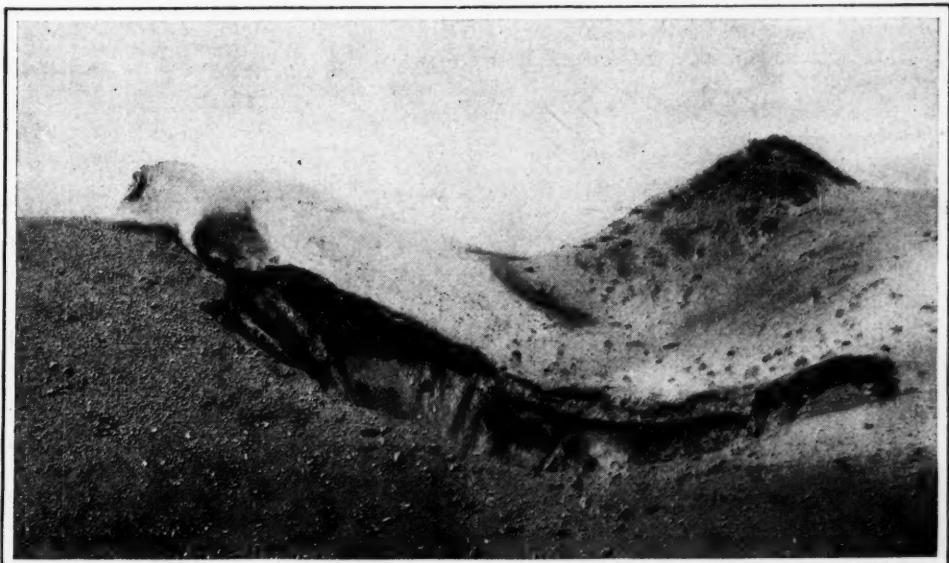
VOLCANIC CLOUD OVER A MOUNTAIN WEST OF KATMAI, ALASKA, WHICH IS ITSELF OBSCURED DURING ERUPTION

the air and scattered it over a territory of some 10,000 square miles. Were such a catastrophe to visit Mount Rainier, which casts its shadow over the cities of Seattle and Tacoma, the result can better be imagined than described.

#### ALASKA'S VESUVIUS

A brief account of the Katmai eruption may not be without interest, since, outside of a few scientific discussions and fragmentary newspaper accounts, this terrific convulsion of Nature has received little or no notice. Before June, 1912, Mount Katmai

was one of the least known of the many Alaskan volcanic peaks, and had been so long dormant that there were not even local traditions of former outbreaks. But on June 6, without warning, the volcano proclaimed itself by a terrific explosion, the sound of the mighty bombardment reaching Juneau, 750 miles distant, and even carrying across the towering Alaska range to Dawson and Fairbanks in the far interior of the Territory. For an area of 500 or 600 square miles immediately surrounding the mountain, the hot, gaseous breath of the eruption swept over the earth, killing every living thing.



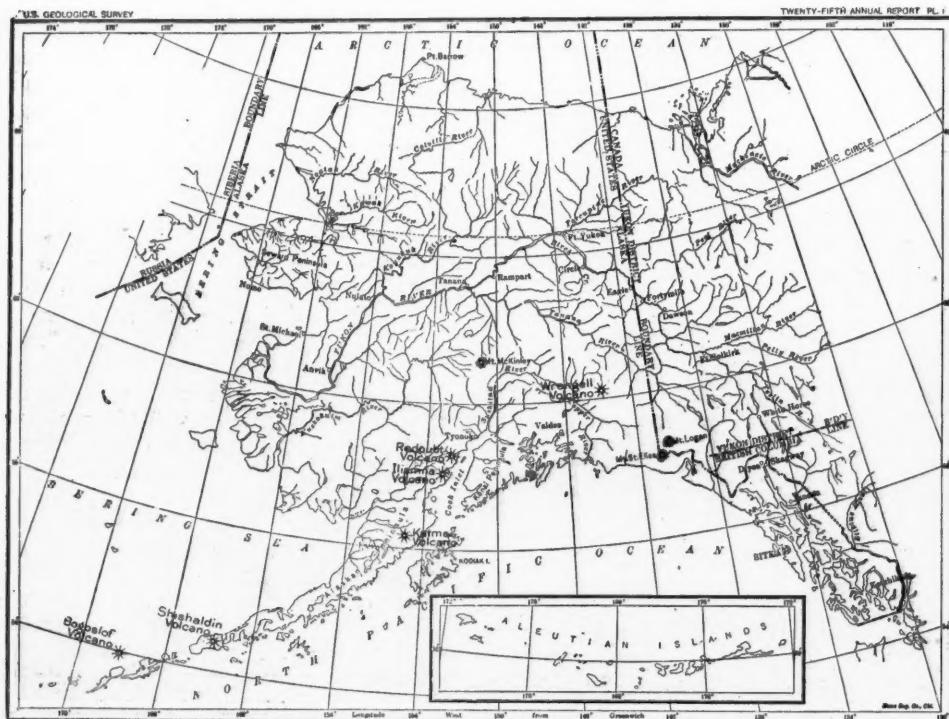
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THE NEWLY FORMED CRATER OF LASSEN PEAK

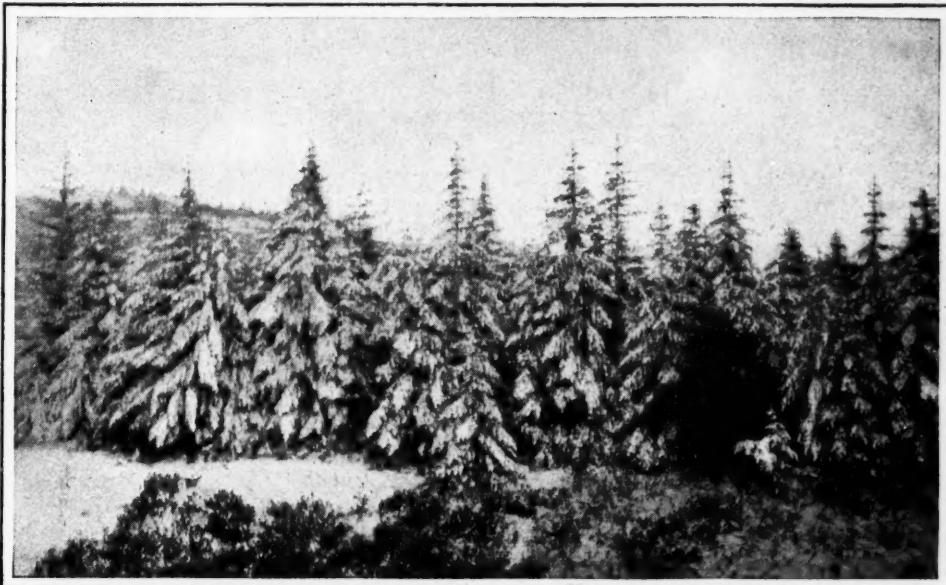


NATIVE HOUSES AT DOUGLAS VILLAGE, ALASKA, NEARLY SUBMERGED BY VOLCANIC ASHES FROM KATMAI, ALTHOUGH FIFTY MILES FROM THE VOLCANO

The huge black column of steam and ash within a few hours this had shed a deluge of which shot up into the air was immediately pumice over all the eastern half of the Alaska seen through the clear atmosphere at Clark Peninsula and most of Kodiak and Afognak Lake and Cook Inlet, 150 miles distant, and Islands, resulting in midnight blackness at



THE VOLCANOES OF ALASKA



ASH-LADEN SPRUCE TREES NEAR KODIAK, ALASKA, OVER ONE HUNDRED MILES FROM THE VOLCANO

noon, extending as far east as the Kenai Peninsula, 200 miles distant. The volcanic dust fell at points 1000 miles away and fumes were reported at Puget Sound, 1500 miles from the explosion.

Kodiak Island and other surrounding islands and territory, within 100 or more miles of the volcano, enjoy a mild climate and very fertile soil and are destined, as the crowded world expands into more remote sections, to sustain a population of possibly one million inhabitants. With such condi-

tions, to say nothing of a dense population like that of Japan or the Southern Mediterranean countries, or even our own Puget Sound region, the explosion of Mount Katmai would have been simply terrific in its work of destruction. The country within twenty miles of the volcano was submerged in from two to three feet of hot volcanic ashes, and on Kodiak Island, 100 miles away, more than one foot of ash and pumice fell, embracing everything in its smothering grip. This material, sliding down the steep moun-



A CREEK CUTTING THROUGH VOLCANIC ASHES AT AMALAK BAY, ALASKA



GULLYING THROUGH THE VOLCANIC ASH ON KODIAK ISLAND, ONE HUNDRED MILES FROM THE VOLCANO OF KATMAI

tain slopes and piling and drifting in great banks, crushed in houses and submerged much territory to the depth of twenty-five and even forty feet.

#### AWE-INSPIRING SIGHTS AND SOUNDS

The only people who witnessed the eruption from near at hand were two families of natives of Katmai, the rest of the village having gone to distant fishing grounds. These reported the "top of Katmy Mountain blown off and hot rock flying all around them, twenty miles off, and the water was hot in Katmy Bay." Natives from an Indian village twenty-eight miles from the volcano stated that "the upper half of Katmai Mountain was gone and the mountain burning up." At Kanatuk, Cold Bay, Iliamna, and even Katalla, over 400 miles from the volcano, there were roars of thunder and explosions like terrific dynamiting in the nearby hill. Earthquakes shook the ground; the people, even at this distance, feared that their dwellings would collapse and rushed into the open. At Iliamna Bay, 150 miles distant, the earth never ceased to move for twelve hours, while at nearer points intense blinding glares of light came from the direction of the volcano and vast amounts of molten lava were hurled to great heights by the explosion, burned to pumice and ash and carried by the prevailing winds, a succession of dense clouds. The coarser material be-

gan to fall almost at once in pieces as large as bricks fifteen or twenty miles from the volcano. Over an area of thousands of square miles it seemed as though the end of the world was at hand.

Many sailing vessels and several steamers which were coasting in the vicinity vainly endeavored to escape the fall of pumice and ashes; the *Dora* and the revenue cutter *Manning* reporting terrific conditions. Dust filled the nostrils and the mouths of the men and "smote our eyes like the dash of acid," according to the captain of the *Manning*, "and birds floundered, crying wildly, throughout space and fell helpless to the deck." A lantern held at arm's length could barely be seen, and the search-light of the *Manning* failed to penetrate farther than the bow of the ship.

Geologist George T. Martin, of the United States Geological Survey, who visited the scene of the disaster about a month after the first explosion, states that with everything covered with from one to three feet of pumice-stone the scene presented was most dreary. "We realized," he states, "that we were indeed in a volcanic land, for through the clouds of volcanic vapors which were pouring over the mountain crests and under the thick covering of the volcanic ash of last June could be seen layer upon layer of columnar lava, aggregating at least 3000 feet in thickness, which had poured out from



A WINTER SCENE IN JULY—VOLCANIC ASHES ON KODIAK ISLAND

some mighty vents, perhaps a million years through the possible permanent destruction ago. It was fortunate that the people of Katmai went away before the present eruption, most serious of these injuries. for a breath of hell swept down the valley, bringing death even to the trees."

#### DESTRUCTION OF ANIMAL LIFE

The great Kodiak bears and those on Afognak Island went blind in the catastrophe, and as far away as Iliamna Lake, 120 miles, small animals were killed and many dead gulls, wild geese, ducks, ptarmigans, and hawks were found. The only good thing was that the mosquitoes, one of Alaska's greatest pests, were entirely exterminated over several thousand square miles.

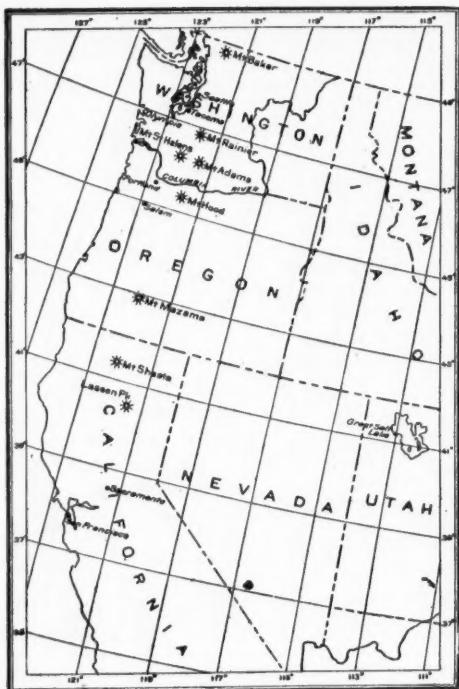
It seems incredible that no person was directly killed by the eruption of Mount Katmai. Had the convulsion been that of Vesuvius or Etna, in Italy, or Asamayama, Japan, or many other active volcanoes, the loss of life would probably have been in the tens of thousands. In the Katmai disaster a few people died from breathing the dust, while the damage to crops and grass and the destruction of game and fur animals were indirect losses. The effect on the salmon, Dr. Martin thinks, through the probable complete filling of the smaller lakes by the volcanic wash which will for years work down the streams and hillsides into them, and

#### CHANGES PRECEDING ERUPTION

The following observations of Dr. Martin in connection with the causes which lead up to a volcanic eruption are important as indicating what happened in the Mount Katmai convulsion, and what may possibly be happening now in Lassen Peak, California:

Mount Katmai had been in a dormant condition for an unknown length of time, but for many months prior to its outburst it must have been going through the changes which a dormant volcano always undergoes prior to an eruption. A volcano consists of a vent extending from the surface of the earth to a reservoir of molten material deep in the earth's crust. The vent usually reaches the surface at the summit of a mountain composed of material thrown out in earlier eruptions and terminates above in the opening known as the crater. When the volcano is not in eruption this vent is closed by material fallen in from above and by material which was not fully expelled during preceding eruptions and solidified there.

An eruption is always preceded by a long-continuing and gradually increasing accumulation of pressure from the reservoir of



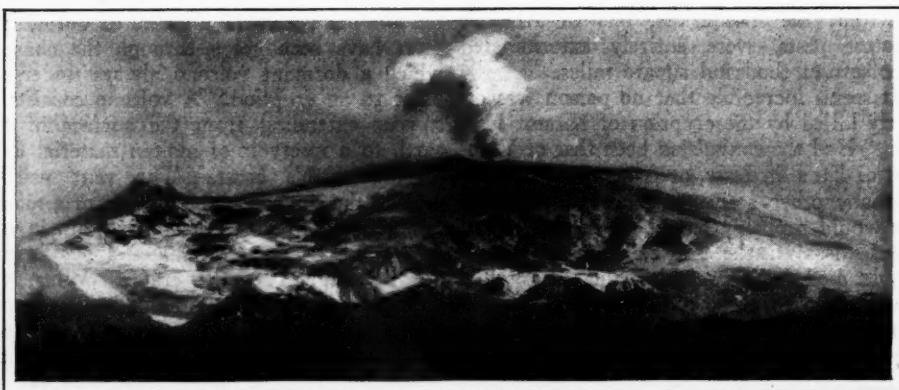
**IMPORTANT VOLCANOES OF THE UNITED STATES**  
(Two in California, two in Oregon, four in Washington)

molten material. The eruption is caused by this pressure becoming at last sufficient to overcome the resistance of the material which chokes the vent, or by a sudden relief of pressure by faulting or slipping of the rock strata. Preceding the eruption there is a gradual rise of lava in the vent, the rocks become heated and the gases and waters given out increase in heat and volume, while

earthquakes and minor explosions often occur. The initial great outburst clears the vent and breaks up and expels the solidified lava by which it has been closed and sometimes destroys the whole mountain.

The sudden relief, from this great outburst, to the underlying liquid lava of an enormous pressure from beneath results in the escape of enormous quantities of steam and other gases which the lava contained. Hot molten lava, especially when under pressure, has the capacity to dissolve great volumes of gas. It is in the condition of water under pressure and charged with gas. The uncorking of the volcano has therefore the same effect as the uncorking of a bottle of any other liquid charged with gas; the gas rushes out, carrying part of the liquid material, mostly in the form of coarse spray. It is this frothing of the lava which creates pumice, which is nothing but lava blown full of holes and projected in a liquid condition into the air, where it cools.

The explosion which began is then continued with great force with the ejection of a stream of lava-spray or liquid pumice, which is kept up as long as the imprisoned gases last. The column of steam and lava spray, after being blown out of the crater, expands until it is in so rarefied a condition that it floats freely in the air and is known as volcanic smoke. This gradually cools and falls in a shower of ashes and dust. In the great eruption of Krakatoa, Malay Peninsula, this dust was carried up into the atmosphere a distance of twenty miles, and was then carried by the winds three times around the earth. It did not all finally settle and disappear for many months.



## MOUNT WRANGELL, ALASKA

# THE RATE DECISION

BY HARRINGTON EMERSON

[Mr. Emerson is the well-known consulting engineer whose work and writings have done so much to bring efficiency into the form of a science. His convictions concerning the possibilities of efficient organization of railroad operations have been given the widest publicity by Mr. Brandeis and others, and it is interesting here to see the conclusions of this noted expert in efficiency on the questions before the Interstate Commerce Commission in the recent application of the Eastern railroads for an advance in rates.—THE EDITOR.]

After several years of investigation, Is not more coal mined and used? Has the production of iron not increased? with immense gathering of information and opinion, and after several months of study and deliberation, the rate decision In addition, has not the skill of man acquired greater control over the resources of in an opinion of 35,000 words has been handed down by the Interstate Commerce Commission.

What the railroads asked, a straight increase of 5 per cent., was not granted, chiefly on the ground that present rates are unscientific, that some ought to be increased more than 5 per cent.

There are two classes of rates,—bulk commodities, as coal, coke, grain, and classified rates for shipments in boxes, etc. Commodity rates form the largest part of railroad revenues. The lines east of Buffalo and Pittsburgh were excluded from commodity raises, and the lines west of Buffalo and Pittsburgh from raises as to coke, coal, and ore.

The Commission hints that the railroads have not practised due economy and that they have given away or undercharged for many services.

It is to be wished that the Commission or the railroads had outlined, "precised," as the French say, the real fundamentals of the difficulty of the railroads.

Briefly this difficulty is that there is an insufficient margin for capital compensation between actual revenues and actual expenditures. As a secondary fact this insufficient margin makes it difficult, often impossible, for railroads to finance further expansion.

The Commission recognizes that there is insufficient margin: "The operating income of the railroads in official classification territory, taken as a whole, is smaller than is demanded in the interest of both the general public and the railroads."

Why are revenues that once were ample insufficient to-day?

Has not the population of the country increased? Are there not larger annual crops?

In addition, has not the skill of man used, owing to superheated steam, purified water, has not the cost of transportation per unit been reduced?

Has not Henry Ford been able to reduce the price of automobiles from \$1000 to \$500?

Why then are revenues insufficient?

The public wonders, and murmurs as well, and thinks that perhaps the explanation is to be found in the sporadic instances of great incompetence and dishonesty.

It is a pity to leave the public with this opinion since in our country full knowledge and common sense are more requisite than anywhere else. Wise measures cannot be put through arbitrarily; the majority of the voters, the majority of Congress, the majority of commissioners must be persuaded, and reliable premises supported by unassailable facts are powerful persuaders.

Railroads have experienced difficulties, not because revenue has decreased but because expenditures have increased. The increases in expenditures are due to primary causes:

- (1) The geometrically progressive increase in terminal charges, these increases more than offsetting all the gains in direct transportation.
- (2) The aggregation of small railroads with larger systems faster than skill, experience, and ability were able to take care of the new problems.
- (3) The substitution of rapid obsolescence in railroad property for the former very slow depreciation.
- (4) The growth of salesmanship ability for selfish ends by the three great classes who cause all railroad expenditures,—the purveyors of equipment, the pur-

veyors of materials, the purveyors of labor.

(5) The growing operating and restrictive burdens imposed on railroads by municipalities, States and the United States.

(b) Collecting and delivering freight.  
 (c) Storing freight.  
 (d) Furnishing or paying for wharfage or dockage.  
 (e) Loading and unloading carload freight.  
 (f) Reconsigning carload freight.

#### THE GEOMETRICAL INCREASE IN TERMINAL CHARGES

There is happening in the railroads on a very large slow scale what has already happened to that small division of transportation, the mails.

When from Italy Napoleon sent daily impassioned letters to Josephine in Paris, the cost was neither in the collection of the letter nor in its delivery, but in its transportation by a relay of special couriers. To-day it is not the cost of transportation of a closed mail sack from New York to the Philippines; it is the cost of house-to-house collection and house-to-house delivery that counts.

So also with railroads. It is not the cost of pulling a train from Jersey City to Philadelphia, but the cost of collecting freight in New York and starting it on its trip. It is not the cost of reaching the outskirts of Philadelphia, but the cost of delays and of switching, of custody, of shrinkage, of delivery at the freight-house in Philadelphia.

The passenger situation is even worse. It costs several dollars per head to pass in and outbound passengers through a great New York railroad terminal; it costs only a few cents to transport them many miles.

Rates in America have been based on two elements, transportation and classification.

As the country has grown, the neglected elements of collection and delivery have increased in relative importance until they overshadow the straight transportation and insurance (classification) charges. For other reasons, and perhaps as one of the evidences of slow development of railroad executive grasp in the past, railroads have by their favored rates for big terminal cities intensified the trouble.

The Commission recognizes this trouble as to the basis for rates. It suggests that "all railroads in official classification territory should ascertain to what extent special services now being rendered by the carriers to shippers for which no special charge or a non-compensatory charge is made constitute an unjust burden on the carriers." The Commission particularly enumerates the following free terminal services:

(a) Allowance of free time for loading or unloading carload freight.

The Commission also refers particularly to switching, lighterage, and storage in New York, Chicago, and other large cities.

As population grows, terminal charges will continue to increase geometrically, perhaps with the square of the population. An indefinite evidence of it is the relative increase in switch locomotives compared to the revenue-earning passenger and freight locomotives.

#### THE AGGREGATION OF SMALLER ROADS WITH LARGE SYSTEMS

It is relatively cheaper to have a family of twelve than a family of one child, but twelve children receive better supervision and moral and other care than do the 100 or the 1000 in an orphan asylum. A superintendent of motive power who sees every one of the locomotives under his care every day and also knows individually the engineers and firemen and mechanics can maintain far more economically per unit than the system with 1000 to 3000 locomotives.

The smaller roads, the Pittsburgh & Lake Erie, the Buffalo, Rochester & Pittsburgh, the Delaware & Hudson, the Delaware, Lackawanna & Western, show lower unit cost for operation and maintenance than their bigger neighbors.

Nevertheless, the Germans are able to handle more competently and efficiently an army of 2,000,000 men than many a village can handle a militia squad, but it takes time to acquire skill. The failure of big aggregations to do well is no argument against big aggregations, but a strong argument against undertaking big management with insufficient training.

The *Mauretania* or the *Imperator* is better managed than many a row-boat with its catastrophes on a pond.

The truth is that development and intensity of organization has not kept pace with the expansion of operations. What was needed was not a mere development of the row-boat type of management, but an entirely new creation, as different from the old type as the organization of the latest dreadnought is different from the organization on the *Merrimac*. To this fundamental need

the Commission does not refer and the suspicion is justified that the Commission itself, as far as organization is concerned, has much to learn.

The latest general annual report on the railroads issued by the Commission is for 1911, which is just three years later than it ought to be. A report is like an egg. Its value depends on its freshness and a very much delayed report is like a very old egg. The long-delayed rate decision is similar evidence of deficient organization. The Commission might take lessons from a railroad schedule, or from the Weather Bureau, or from a daily newspaper, or from the mobilization of the German army.

#### OBSOLESCENCE IN PLACE OF DEPRECIATION

Depreciation is the gradual wearing out as of a pair of shoes under wear.

Obsolescence is the sudden collapse in value of something perfectly good and serviceable but displaced, as a woman's spring bonnet.

One-half of one per cent. set aside at time of purchase and compounded at 6 per cent. would have replaced the one-horse shay that lasted exactly 100 years, but if it had become obsolescent in fifteen years it would have been necessary to set aside 43 per cent. instead of one-half per cent. of its value. Depreciation, a capital charge (not maintenance, an operating charge), is insignificant.

Obsolescence is very severe, as purchasers of bicycles in the nineties and purchasers of automobiles in the last fifteen years have discovered, and what is true of bicycles and automobiles compared to the older wheelbarrows and buggies is to a large degree true of modern railroad equipment compared to the older equipment.

Roadbeds do not wear out any more, they are realigned with grade revisions; ties do not gradually decay, they are cut to pieces by the heavy traffic; rails do not last their life, they are displaced by heavier sections; stations do not wear out, they have to be torn down to make way for palatial structures; round-houses are scrapped because electrical equipment has come in; locomotives used to last fifty years, the average age of locomotives in actual freight service now is not over ten years; wooden passenger cars used to last for steel cars. A two-per cent. assessment made once used to be sufficient for depreciation. It is a question whether 3 per cent. a year will take care of modern obsolescence.

The Interstate Commerce Commission decision does not bring into relief this tremendous change in conditions. It can be met by intensifying the science of management, or by permitting higher charges, or by drifting into reorganizations that will scale down and readjust the capital charges.

#### RAPID ADVANCE IN SELLING SKILL OF THOSE WHO SOLD TO THE RAILROADS

Railroad executives were so busy operating the railroads that they failed to realize and neutralize the very specious, plausible, and skilled attacks of the purveyors. As to railroading there were no more intense and alert men in the world, but in a contest of wits in selling and buying they were no match for the purveyors.

All railroad expenditures in the United States in a year, including capital charges, are about:

Materials .....	\$600,000,000
Labor .....	1,200,000,000
Capital charges.....	800,000,000
	\$2,600,000,000

As to capital charges, a writer for a recent number of *Leslie's* quotes the vice-president of one of the smaller Eastern roads as saying that if a 5 per cent. increase in rates were granted, expenditures would be made by the railroads to the following extent:

	PER CENT.
For additional terminals.....	\$500,000,000 21.6
New equipment.....	1,800,000,000 78.1
Double tracking.....	6,750,000 .3
	<hr/> \$2,306,750,000 100.0

Of this enormous sum, 22 per cent. is for terminals, 78 per cent. is for obsolescence, and practically nothing for anything else.

No claim is made except as to terminal facilities that present equipment cannot carry the traffic; present equipment is in fact idle three-quarters of the time.

The added interest and obsolescence charges on \$2,300,000,000 would amount at least to 9 per cent., or \$207,000,000 a year.

It is the purveyors of new equipment and new facilities who want to see this increased expenditure of \$2,300,000,000.

The sellers of materials for operation and maintenance would not have been content to see the rate increase capitalized for the benefit of the seller of equipment.

The sellers of labor would also have expected to receive the benefits and these two classes, even if they had made no direct demands, would have been glad to see oper-

ating and maintenance expenses increase to the extent of \$400,000,000 a year owing to the added equipment.

#### THE GROWING OPERATING AND RESTRICTIVE BURDENS IMPOSED BY GOVERNMENT

The question as to the necessity or desirability of all the flood of restrictive measures that have become laws is not involved. The burden remains. It adds to the expenses when locomotives cannot cross a State line or when the equipment of a passenger car differs in each State through which the car runs. These multitudinous restrictions have the same general effect on railroad finances that the hook worm parasite has on human beings. One hook worm would not count, a hundred thousand are depleting.

The Commission issues a warning against interlocking directorates and states that answers to questions show that a considerable proportion of the officers and directors of railroads have interests in other concerns with which the railroads are dealing, as locomotive works, car manufacturing companies, steel and iron works, bridge companies, railway publishing houses, etc.

Has not the Commission made a mistake in obscuring the greater danger by exaggerating the lesser? The interlocking director or officer is less to be feared than the myriad of keen, intelligent men with great organs of publicity constantly urging the railroad to spend and ever spend more and more.

The Commission also almost belittles the great question by dwelling so strongly on passes and special cars. A pass is rarely issued to any one who would otherwise pay fare. Travelers on passes occupy seats otherwise empty. Most of the passes are issued to employees on the line of their duty or to members of their families. Railroad

men as a rule work more hours for less pay than men in industrial life and passes are a form of compensation that costs the railroad literally nothing and is much appreciated by the employee. The abolition of passes would not decrease expenses or increase revenues. The prohibition of passes as a form of rebate is wholly another matter, and it is not on this ground that the decision

to costs very little to move,—about \$0.40 a mile if general expenses are not prorated to it, and they should not be to non-revenue traffic. To assume that a railroad is losing tariff rates is the same kind of error as to assume that one's casual dinner guest is costing Ritz-Carlton a la carte rates.

Officers' business cars, assumed by the public to be abodes of luxury and ease, are generally the hardest working centers of our American industrial life, with continuous business sessions, beginning at 6 a. m. and ending about 10 p. m. Men working at this high tension and on whose judgment millions depend should have all the comfort and safety possible.

The Commission strongly recommends an accurate ascertainment and frank disclosure of operating costs.

It is to be regretted that the Commission itself is slow in giving out compiled information and also that its vast compilations have so exasperatingly little practical value, because they violate nearly every essential quality of a good record:

These essential qualities are: Immediacy; Reliability; Adequacy; Clearness; Classification; Permanence.

The records of the Interstate Commerce Commission are permanent, but all other qualities they lack in whole or in part.

The essentials of railroad records are that they should distinguish between Materials, Labor, and Charges, and that they should be related to standards. The important matter is not how much a railroad has spent, but how much it ought to have spent.

The Interstate Commerce Commission records give no information as to relative amounts of materials and of labor, and also seem to ignore the existence of standards.

The problem before the railroads, since contraction the many interests dependent on railroad purchases; to lessen the unit labor cost, yet not to harm by sudden urges further limitation of passes.

The problem before the railroads, since they cannot depend on the remedy of increased revenue per unit of service, is to reduce expenditures per unit. This means to use less material, yet not to harm by suddenly urging the transportation of private cars the burden to the shippers.

Similarly, the transportation of private cars is a courtesy that means much and costs infinitesimally little. The actual extra cost of handling a special car on the end of a regular train is the extra coal burned to haul it,—roughly modern organization,—the kind that about one cent a mile,—and the wear on the already exists not only on battleships, but also rails. Even a special extra non-revenue train in the operation of the mercantile marine,

No amount of wisdom and righteousness on the part of railroad executives will accomplish this result without the help of a thorough modern organization,—the kind that exists not only on battleships, but also rails. Even a special extra non-revenue train in the operation of the mercantile marine,

# THE WORLD'S OPINION ON THE WAR

## TEUTON AGAINST SLAV

ONE of the few Americans who is exceptionally well-informed concerning the racial divisions and national ambitions of southeastern Europe is Professor William Milligan Sloane, of Columbia University. He is the author of a recent book, "The Balkans: A Laboratory of History," in which he outlines many of the problems that have come concretely to the front during the past few years. He is also the author of an elaborate biography of Napoleon, and in 1912-13 was the Theodore Roosevelt Professor at Berlin. In the *Independent* for August 10, Professor Sloane gives an exposition of his view that a race question is really the mainspring of the present European war: "The oncoming of the Slav, the self-defense of the Teuton." Beside this, in Professor Sloane's opinion, Franco-German relations, however weighty, are of minor importance.

There is, says Professor Sloane, no instance known to history of a natural growth of population like that of recent years among the Slavs, who outnumber the Germans nearly three to one. He points out two lines of division among the Slavs,—the aristocracy and townsfolk, widely separated from the over-powering majority of artisans and peasants. Secondly, the Hungarians, who join with the Germans of Austria to form the Dual Monarchy, divide the northern from the southern Slavs, the latter group differing slightly from their brothers of the north in speech, institutions, tradition, and general characteristics. But they are all a peasant people, who become savage when aroused. Since their emancipation from the Turk, of all the southern Slavs have produced only a handful of native statesmen and administrators. With the exceptions of Servia and Montenegro, the Slav states of southeastern Europe have had foreign princes imposed upon them.

The struggle for supremacy between Teuton and Slav has gone on without interruption since the Slav appeared in history, but there has always been some admixture of

blood, as well as of institutions, along the frontier lines from the Baltic to the Adriatic. Within a generation a passion for "nationality" has flamed up on both sides of those lines.

The flames leaped over and set fire to the Balkans. Germanism in Austria-Hungary was put on the desperately defensive alike by Magyars and Slavs. At no time within the historic record was the race and confessional antagonism as savage as it is to-day. Nationality and autonomy are the war-cries. "In the name of liberty" is the plea which the combatants shout westward as they arm to the teeth, marshal their enormous armies and commit atrocity upon atrocity in the face of high heaven. The recent Balkan wars have completely upset the military equilibrium of Europe, because they have placed on its military map at least a million disciplined troops with the lust for combat engendered by their war of emancipation and the internecine conflicts for national grandeur into which it degenerated.

If the United States, says Professor Sloane, had a Russia on one shore and a France on the other, with not one friendly power on either side, we could visualize the problem of the German Empire, and perhaps even realize it. The vast extent of her land of division among the Slavs,—the aristocracy and townsfolk, widely separated from the over-population. Germany maintains 66,000,000 on a territory about the size of Texas, and not comparable with Texas in fertility of soil or natural resources. Scientific agriculture has reclaimed practically all of the land and most of the farms are yielding to the very limit of their capacity. Another weakness is the futility of efforts to Germanize the Slavs. But the most serious weakness of all is Germany's tenure and treatment of Alsace-Lorraine. Germany's policy has been this: To maintain what she has, to strengthen Austria-Hungary against the Slav, and be prepared in every respect to repel any advance of its own eastern neighbors, perhaps even to drive them far behind their present lines. Germany has felt that for success in this policy she must be strong enough to hold France in check.

Russia, too, has her weaknesses, the most salient of which is the double question of

Finland and Poland, with their sense of outrage and resistance to Russian influence. Russia's northern frontiers are fortified by their Arctic position; her others are the weakest possible. "So vast, so unorganized, so inert is most of her empire, that its very weight seems often to threaten a break." Professor Sloane finds Russian policy a riddle.

Why protect Servia? Why bring all Greek Christians under her religious sway? Why set up a Pan-Slavic federation? Why the pogrom and Jew baiting? Why swell to bursting with

zones of influence in Central Asia which belie their name in that they do not bind? Why the brow-beating of Armenia and the hounding of Turkey? There seems no sense and little unity in the enormous program.

Russia is, of course, eager to command the Dardanelles for commercial reasons, and it is often asserted that everything in her policy is working to that end. But Professor Sloane likens her present condition to that of the athlete who ran so far to gain impetus that on the take-off for the jump he fell in exhaustion.

## THE CASE FOR GERMANY

**I**N the Boston *Herald* of August 5, Professor Hugo Münsterberg of Harvard University, utters a protest against what he terms the vehement turn of the American press for the Slavs and against the Germans. "How can we doubt," he asks, "that Emperor William desired nothing but honorable peace for all the world?"

For twenty-five years he has been the most efficient power for European peace. He has done more for it than all the European peace societies together, and, however often the world seemed at the verge of war, his versatile mind averted the danger. He knew too well, and the whole German people knew too well, that the incomparable cultural and industrial growth of the nation since the foundation of the young empire would be horribly threatened by the risks of war. Can any sane man really believe the slander that all was a long-prepared game which Austria was to start, and in which Germany would wilfully force the furies of war into the Russian realm?

No; this time every effort was in vain, and all good-will for peace was doomed because the issue between the onrushing Slavic world and the German world had grown to an overpowering force. The struggle between the two civilizations was imminent, and where such a historic world conflict arises the will of individuals is crushed until they serve the will of the nations. The Slavs of the southeast, the Servians, had defeated their oppressors, the Turks. It was inevitable that their new strength should push them to ambitious plans. It was necessary that they should aim toward a new, great Slavic empire which would border the sea and embrace Austria's Slavic possessions. That had to mean the end of Austria, the crumbling of its historic power. Such an inner, passionate conflict, such an issue of existence, must lead to explosions.

Servians kill the archduke. That was Austria's opportunity for an effort to crush the power which aimed toward its downfall. But it was no less historically necessary that the largest Slavic nation, the Russians, should feel that Servia's cause was their own. Russia knew well that while it had recovered from the wounds of the Japanese war, the Slavic strength was still unequal to that

of the German nations; but it knew also that it could rely on France's latent longing to revenge itself for Alsace and on England's grumbling jealousy of the great German rival in the world's markets. At last the chances seemed splendid to strike the long-delayed blow of the Slavic world against the German. The Czar was unable to resist the gigantic pressure of the hour; his government mobilized against both Austria and Germany.

Is there really any sense in blaming the German Emperor for actually declaring war, when the Russian hostile preparation was evident, before its slow mobilization was completed and before Germany by such loss of time had been brought to certain destruction? Four times he urged the Czar to abstain from the moving of the Russian troops to the frontier; most unwillingly he undertook to urge Austria to new negotiations. But the world contrast of the two civilizations was too deep; Russia could not forego its unique chances, and so it continued passionately its armaments, trusting that the French guns would start of themselves.

The German Emperor would have shamefully neglected his duties if he had quietly waited until the Russian armies were brought together from the Far East. He had to strike as soon as the war was certain. He therefore had to go through the formality of declaring war, but it was Russia which made the war, and it was part of Russia's war-making that it forced Germany to declare the war first. America undertook, without such a deep inner conflict, a punitive expedition against Mexico, not unlike that of Austria against Servia. If at that time Japan had declared that it could not tolerate such hostility to Mexico and had sent all its warships toward California, would the President have genially waited until the Japanese cruisers entered the Golden Gate, instead of putting an ultimatum to the Mikado saying that unless the ships stopped it would mean war?

In this situation, says Professor Münsterberg, neither Russia nor Germany could really act otherwise. The great conflict of civilizations was necessarily stronger than the mere wishes of peaceful individuals. In this conflict of Slavic and German cultures American sympathy should not go wholly to the

Slavs. "Americans ought not to rejoice when the uncultured hordes of the East march over the frontier and march towards the most eastern German city, towards Königsberg, the town of Immanuel Kant." Professor Münsterberg denies that this is an immoral war. Both Slavs and Germans stand on moral ground, as both are willing to sacrifice labor and life for the conservation of their national culture and very existence. sonable to assume that the German Emperor wilfully and recklessly would risk the sum total of his life-work in the vain pursuit of military glory? (2) Is it reasonable to assume that the German people would rush into this conflict unmindful of the fact that they have nothing to gain and everything to lose? (3) Is there any reasonable doubt that Germany's three chief competitors,—Russia, France, and England,—have each her own

In a letter to the *New York Times*, Professor Kuno Francke, of Harvard, declares that Germany's motive in the present conflict is not aggression, but self-defense. This, he says, should be clear to anyone who, in a sober and rational state of mind, puts to himself the following questions: (1) Is it reasonable for France, and England, "to have each her own incentive for an aggressive policy against Germany? England, the incentive of crippling German commerce; France, the incentive of reconquering Alsace-Lorraine; Russia, the incentive of underbinding German commercial influence in the Near East and of supplanting Austria in the Balkans?

## A VOICE FROM THE UNIVERSITIES

**A** NOTHER representative of intellectual has involved Germany in war, and this war Germany who has declared himself as in might have been avoided at present if Germany had broken faith with her ally. But Dr. Moritz J. Bonn, Professor of nobody believes that the forces antagonistic Political Economy at the University of Munich, and now visiting the United States as exchange professor at the University of California. In a communication to the New many had broken faith with her ally. But Germany would have ceased to act if Austria had been left in the lurch. Neither France, nor Russia, nor England would have changed their policies.

York American, Professor Bonn declares that he and his colleagues in Germany approve of the Kaiser's present policy because they know that war has become inevitable, and that it must be faced when Germany is ready for it, not at the moment most agreeable to Germany's enemies. Professor Bonn maintains that if intellectual Germany wishes to develop the moral and intellectual qualities of the German people, she can do so only if there is peace—real peace—not endangered by the fear of some sudden and treacherous aggression. It is because it is realized in Germany that such a peace was no longer possible, that the intellectual element in that country approves of the war.

country approved of the war.

Germany's aim, according to this writer, has always been peace, and Germany is the only one of the great European nations which has not increased her territory during the last quarter of a century by conquest. Germany went to war, he declares, because she had to keep faith with Austria. She did not approve of every step that her ally had taken, but thought that it was her duty to stick to her partner through good or evil. Germany concluded the alliance with Austria because she wanted to safeguard herself against foreign attack. It has turned out that the alliance

Professor Bonn names these as the three main causes to which war is due:

First, the French have never forgotten their defeat in 1870 and 1871. They have always been thirsting for revenge.

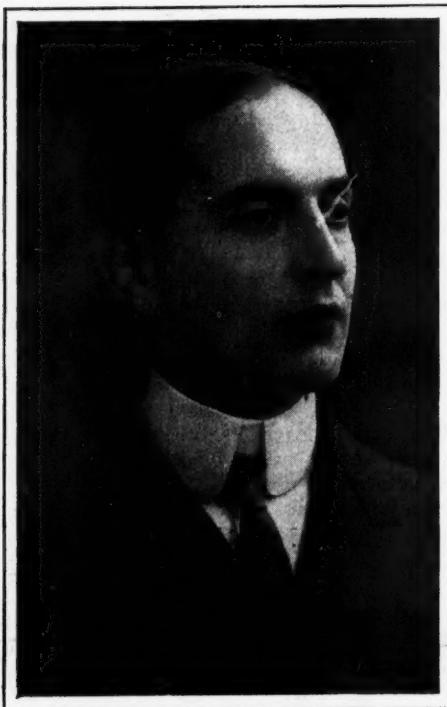
Second, Germany is at war because Russia thinks she has a mission on behalf of the Slavic world; she feels that mission can only be fulfilled by smashing Germany, the bulwark of western ideas.

Third, Germany is at war because England has returned to her old political ideals. She means to enforce anew the balance of power, and she wants to cut down Germany to that normal dead-level which alone, she thinks, is consistent with her own security.

This representative German scholar is far from severe in his judgment of France. He says:

As far as our antagonism to France is concerned, we have always looked upon it as a regrettable fact which time, perhaps, might do away with. We are just enough to understand that a country like France, with a glorious past, a gallant spirit and an undaunted courage, cannot forget the blow we dealt her forty-three years ago.

We think we have been right in retaking from her Alsace-Lorraine, belonging originally to the German Empire. But we look with a kind of envy upon her who succeeded in denationalizing



DR. M. J. BONN, OF MÜNICH  
(Exchange Professor, 1914-15, at the University of California)

the people of those provinces to such a degree that we have not yet been able to make them Germans once more.

We have always regretted that the two most civilized nations in Continental Europe should be rent asunder by an unforgotten past.

We hoped that the creation of a wonderful African empire might in the long run soothe French national feeling. We should have been always willing to come to an understanding on the existing state of affairs, but though there have been lucky statesmen in France who tried such a policy, public opinion was too strong for them.

French people preferred to sacrifice the main ideas on which their republican government is based and made an alliance with Russia.

Religious, national and political oppression in Russia against Pole, Jew and Finn, against working-man and intellectual, is propped up by the help of liberal thinking France, whose conservatism threw a western glamour over Russian ill-deeds.

We have regretted more than words can say it that France has annihilated herself as a power for the moral improvement of the universe by making herself a tool of the Russian Juggernaut.

We read in the papers to-day that after a small frontier engagement in Alsace-Lorraine the signs of mourning were taken off from the statues representing Alsatian towns on Parisian squares.

We know in our innermost hearts that they will have to be attached for a long time to come to those three emblems of human progress for which France is supposed to stand: liberty, fraternity, equality, if our arms are not successful.

We realize that the gallant spirit of the French people has furnished the mainspring which has made this war possible.

It is France alone among the allies against Germany, says Dr. Bonn, who runs real risks. Germans honor her for her courage. They know that she is not moved by sordid motives. Nevertheless, they were aware of her unforgiving attitude. They knew that she was helping Russia and believed that she was instigating Britain and Belgium, as well as Serb and Roumanian. They interpreted her attitude as "the firm policy of a patriotic and passionate people waiting for the moment when they could wipe out the memory of 1870, putting nationality to the front, sacrificing their own ideals of humanity." This German writer goes so far as to say: "I think we would commit a libel on French honor and on French patriotism if we assumed that any step on our part could have prevented her from trying to redress the state of affairs produced by the events of 1871."

## A GERMAN-AMERICAN VIEW

**A** SIGNIFICANT expression of German-American opinion on the war appeared in the *Staats-Zeitung* of New York on August 16, from the pen of the editor and proprietor of that newspaper, Mr. Herman Ridder.

This article, so far from being a glorification of militarism and imperialism, is a candid admission of the horrible futility and waste of war. But it sounds an optimistic note and voices the conviction that within a year there will be witnessed the formation of a great Teutonic empire. Germany, says Mr. Ridder, like other empires, was founded

upon military supremacy and maintained by successful commercial policies. It cannot be said that it is to be laid away upon the shelves of history before it has developed its full usefulness and power. The German Empire has not done all for civilization it was destined to do. The German contributions to science, commerce, and literature are too real to permit the belief that its work is finished and a new order is to replace the old.

Yet Mr. Ridder sees the possibility of sudden and startling changes involving perhaps the realization of some of the dreams of

Liberalists and Socialists. The propaganda races regulate the continent of Europe than of Socialism is indeed greatly aided by to permit the autocracy of the Romanoffs to war. "Around a thousand campfires extend its sway by a single province." His the steady conviction is being driven home heart aches to see the German national life, that this sacrifice of life might all be fostered with such loving care for so many avoided."

Believing that an overwhelming majority about by the inflated ambitions of the Russ-of the populations of Germany, England, and sian Slav."

France are opposed to this war, that the governments themselves do not want war, and that the Kaiser emphatically does not want war, Mr. Ridder is confronted with the riddle that war is now raging. As an answer to this riddle, he points to Russia. "A thousand times rather would I prefer to see the sand times rather would I prefer to see the organization and genius of the Teutonic

In conclusion, Mr. Ridder says that the sword has been forced into the hands of an unwilling German nation, but if we read right their history, and know their traditions, they will acquit themselves as well upon the battle fields as they have during the last forty years in the fields of science, literature, and commerce.

## GERMANY'S CRITICS

**A**MONG the most interesting comments made in the course of the few days after its outbreak was a forecast cabled to the New York *Times* by the English writer, H. G. Wells, author of "The World Set Free." Mr. Wells shares to the full the typical English hatred of continental imperialism and militarism,—"that trampling, drilling foolery in the heart of Europe that has arrested civilization and darkened the hopes of mankind for forty years."

To those that love peace, Mr. Wells can see in the present conflict no other hope than the defeat of Germany, and this as a rebuke not of the German people, but of the system under which they are governed. Mr. Wells rightly says that the older tradition of Germany is a pacific, civilized tradition. In temperament the German people are kindly, sane, and amiable. England, then, has no quarrel with the German people as such. As Mr. Wells forecasts the result of the conflict, England will even have a part to play in saving the liberated Germans from vindictive treatment, in securing for this great people "their right to a place in the sun as one united German-speaking state," for he does not doubt for a moment that in the present war Germany and Austria will be defeated. "It may not be a catastrophic defeat, though even that is possible, but it will be a defeat." These two powers have provoked an overwhelming combination of enemies, and they have underrated the strength of France.

As to military effectiveness, the German is at a disadvantage as compared with his

Sept.—7



DEFYING THE WORLD  
From the *Sun* (New York)

at the outset, seems full of uncertainties. Mr. Wells reminds us that Russia was never only safe place for it is the Kiel Canal, and able to display in Manchuria her peculiar military strength, which lies in her vast resources of mounted men. On the whole, he concludes that a Russian raid is far more likely to threaten Berlin than a German raid to reach Paris.

In naval matters, Mr. Wells is of the opinion that both England and Germany have seriously erred in overrating the importance of big battleships. He regards the German navy as probably equal, ship for that may be lasting.

## GERMANY AND POPULAR RIGHTS

THE effect of Germany's action on the Crime Against Germany," and is apparently intended as a rejoinder to the criticisms of certain German sympathizers discussed in an editorial article appearing in the *Outlook*, of New York, for August 15. Accepting the principle laid down by the United States Supreme Court that the intent of an actor may be reasonably deduced from the inevitable consequences of his actions, the *Outlook* declares that the inevitable consequences of the Austro-Germanic alliance, if successful, would be to put an end to all hope of a Balkan confederacy, to reduce the Balkan States to provinces of Germany and Austria, and to make Belgium and Holland Germanic provinces, as Finland has been made a Russian province.

It would result either in a close alliance or, more probably, in an organic union between Austria and Germany. It would create a Germanic Empire which would extend from the North Sea to the Mediterranean. It would bring all Europe under the domination of this Germanic Empire, as all southern Europe was under the domination of Rome in the first century, and as Napoleon endeavored to bring all eastern Europe under his personal domination in the last century. It would reduce Italy, Spain, Portugal, France, and England to subordinate positions, if not to dependencies. It would banish from all eastern Europe for the time the democratic movement of which France and England are the leaders. It would discourage the hopes of democracy in Spain, Italy, and Russia. It would enthroned autocracy from the Atlantic coast to Siberia and from the North Sea to the Mediterranean. For the statesmanship of Gladstone, Gambetta, and Cavour it would substitute the statesmanship of Metternich and Bismarck.

In contrast with the views of Germany's attitude expressed by Professor Münsterberg and Professor Francke are the sentiments contained in an editorial article appearing in the *New York Nation* for August 13. This article is entitled "The Real

ship, to the British, but he thinks that the English will have little difficulty in sweeping German shipping off the seas and lowering the German flag forever in Africa, Asia, and the Pacific. He predicts that within two or three months German imperialism will be shattered and Germany will be as sick of the uniform and imperial idea as France was in 1871. Russia, too, will be exhausted, and the way will be open, at last, for the Western powers to organize a peace

future of democracy in Europe is apparently intended as a rejoinder to the criticisms of certain German sympathizers among the *Nation's* readers who had felt that a journal which had invariably urged fair play for Germany as against the attempts, for instance, to stir up strife between her and England should now come to her defense. The journal that was once controlled by Carl Schurz and Henry Villard, they insisted, is in duty bound to stand by the Germans. These readers of the *Nation* believe that Germany has been forced into a holy war against her will, and that she is the only bulwark between the rising tide of Slavism and the endangered civilization of western Europe. To this the *Nation* replies that its loyalty to the Germany of which it has so often expressed admiration has never, for a moment, wavered, but that this Germany has not been the Germany of the Kaiser:

We never have believed, and cannot now, that in this day and generation a noble people should be in the hand of king or emperor, enlightened though he may be, or however ardent a guardian of peace during a long period of years. Never have we upheld the Germany of the mailed fist, of the autocracy of militarism; against its claims, its excesses, its encroachments upon civil rights, its assertion that it constitutes a sacrosanct caste superior to any other, we have protested in season and out of season. We have long seen in this swashbuckling, overbearing attitude of the militarists, and particularly in the activities of such a body as the German Navy League a grave menace to the peace of Europe; and it has now brought the very worst to pass that the human imagination can conceive. We have never taken the slightest stock in a Kaiser who vows that he rules by divine right and not by popular consent; and we cannot now uphold a form of government which denies to masses of its population the right to one vote to every man.

## EX-PRESIDENT ROOSEVELT ON AMERICAN POLICY

THE views of that former President of the United States, who by his own efforts brought about the Peace of Portsmouth, concluding the most destructive war of recent years, are worthy of serious consideration in the present crisis. Colonel Roosevelt contributes to the *Outlook* a brief discussion of the foreign policy of the United States, with reference not primarily to the immediate effects of any action on the part of this government, but more particularly to the future.

Colonel Roosevelt declares his purpose to take his stand with the great body of his countrymen in supporting "not only the public servants in control of the Administration at Washington, but also all other public servants, no matter of what party," at this time, "asking only that they with wisdom and good faith endeavor to take every step that can be taken to safeguard the honor and interest of the United States, and, so far as the opportunity offers, to promote the cause of peace and justice throughout the world."

One of the "lessons of continuing national policy," which Colonel Roosevelt thinks should be drawn from the contest in Europe, is the necessity of keeping our battle fleet substantially as a unit. Reverting to the agitation, in view of the opening of the Panama Canal to warships, for a division of our fleet so as to permit one part to be kept in the Pacific and one in the Atlantic, he declares that if there is one lesson more obviously taught than any other by ancient and modern naval history alike, it is that such division of a moderate-sized fleet is unpardonable.

It can do no good, and if ever necessity for using the fleet should suddenly arise,—and it is only this necessity that warrants the existence of the fleet at all,—it might do incalculable harm. The Pacific is as much our home waters as the Atlantic. The Panama Canal should be used continually to transfer our fleet in a body from one ocean to the other. During the course of a great war, which has resulted in all the military and naval nations of the world either using their armies and navies in action or gathering them ready for action, the time is more inopportune than ever to separate our fleet. The effectiveness of the fleet, not merely in action, but as a means of pre-

venting any necessity for action, depends upon the knowledge that it can be used with efficiency. In addition to being well trained in cruising and battle maneuvers, no less than in the use of great guns, the fleet must be concentrated, or it becomes a positive invitation to attack. At this very moment a powerful German warship is in grave jeopardy because it was cruising in the Mediterranean, separated from the main German fleet in the North Sea. In the war between Russia and Japan the greatest factor in securing the Russian defeat was the handling of her navy, and, above all, its division into three parts.

As to proposed arbitration treaties with various nations, Colonel Roosevelt, as is well understood, is tenacious of the provision in existing treaties which states that this country will not arbitrate questions affecting the vital interest, the honor, and the independence of the United States. He contends that all existing arbitration treaties should be scrupulously carried out, but he protests against the making of new promises which it may be impossible or improper to carry out.

Colonel Roosevelt commends President Wilson's offer of his services as mediator between the powers in the present contest and thinks that at a later stage it may well be that such mediation will be acceptable. The existence or non-existence of arbitration treaties will have little or nothing to do with the acceptance of President Wilson's good offices, one way or another. In the instance of the Peace of Portsmouth, nine years ago, the fact that the President at that time did not believe in arbitrating matters that affected the honor of his nation, so far from being a hindrance, was rather a help in securing the assent of Russia and Japan to the mediation proposal.

Replying to those Americans who have taken the ground that the Monroe Doctrine was obsolete, Colonel Roosevelt suggests that if the powers now at war had been permitted to acquire territory in the Western Hemisphere,—in other words, if the Monroe Doctrine had never been recognized,—we now have before our eyes in Europe what would assuredly have been the portion of this country,—unescapable conflict.

# EUROPE'S UNNATURAL POLITICAL GEOGRAPHY

THAT the natural limits of nations and herself of Napoleon, and the Treaty of treaty-makers and treaty-breakers is the contention of Mr. Leon Dominian, of the American Geographical Society, in an article contributed by him to the *New York Evening Post* of August 8. This writer calls history to witness that almost every European conflict of magnitude has been due to ill-adjusted frontier lines. When the signatory powers of treaties have met to delimit national territories there has usually been an utter disregard of national aspirations. Thus when Europe had rid

for the purpose of recasting the political legitimate desires of smaller European nations to rule themselves. Holland and Belgium were merged into one nationality in spite of the protests of their representatives. Bitter feelings were engendered by this action, which ultimately led to the war of secession in 1830 between the two countries, and it was only after their separation that this enmity gave way to cordial relations. Since that time Holland and Belgium have



BOUNDARIES OF CENTRAL EUROPE IN 1816

often been of greater help to each other, Lorraine. If the French districts of the con-  
while retaining separate political entities, quered provinces had been left by the  
than they could be under forced union. Treaty of Frankfurt to France, it is safe to

In the same way the assigning of the say that Franco-German relations would  
Italian provinces of Lombardy and Venetia not have been marked by the lack of cor-  
to Austria led eventually to the war of duality which has characterized them ever  
1859. Germany's rise to power is a striking since 1871. The inclusion of the French  
contrast to these cases, for that was an in-  
stance of the rapid development attainable  
within boundaries peopled by inhabitants of  
the same race. Prussia was the nucleus, and  
with Germany as a leader to direct the  
gravitation of other German-speaking states  
man-speaking race was achieved.

Bismarck did not complete his task of  
uniting all Germans under one flag. There  
work was flawless as long as he added Ger-  
mans to his empire. At the close of the but Austria's foundations are indeed shaky,  
Franco-Prussian war, however, he erred since there are included within her bound-  
grievously in including a small number of aries, besides this great German element,  
Frenchmen by the annexation of Alsace- 10,000,000 Hungarians, 20,000,000 Slavs



BOUNDARIES OF CENTRAL EUROPE IN 1866

and several million representatives of the domain. Therefore Austria's movement in Latin race. As a result, Austria is liable to the Balkans, which led to the war now in progress, had Germany's full support from the beginning.

Austrian Germans would naturally turn to Germany, but the balance of Austria's inhabitants will probably resort to arms before they will submit to having their territory become a portion of the German Empire. Because of her weakness, Austria has become a tool in the hands of Germany, so that every move undertaken by Austria has been suggested by the managers of Germany's foreign policy. Austria's annexation of Bosnia and Herzegovina, her determination to prevent Servia from obtaining a seaport on the Adriatic, and her recent aggressive attitude that led to the outbreak of war with that little kingdom, are interpreted by Mr. Dominian as part of a policy outlined at Berlin. Austria's territorial acquisitions are looked upon as ultimately destined to increase Germany's own

The present war is to be looked on as a racial contest between Slav and Teuton. The Slavonic people are steadily pressing in on western civilization, and this westerly push is blocked now, as it always has been, by the leading power in the west. France opposed it in the Napoleonic period, Great Britain checked it in the latter half of the nineteenth century, and to-day it is Germany's turn.

Mr. Dominian concludes his article with the hope that the statesmen who engage in the task of framing peace treaties at the close of the present war will heed the lesson taught by political geography, and will conclude that peace may be better insured when new frontiers are delimited with a view of segregating nationalities.

## FIGHTING FOR A NEW MAP OF EUROPE

**O**N the subject of the remaking of the map of Europe, Mr. H. G. Wells contributes to the New York *World* certain interesting observations from the British viewpoint. It is his idea that the English should take counsel together and determine what would be a fair realignment of European territory, and thus be prepared at the conclusion of the present war to use the whole strength of the British Empire to make an enduring peace.

Assuming that much of the irritation that culminated in the present struggle was due in the first instance to artificial and unnatural boundaries, Mr. Wells maintains that it is quite possible to create "non-irritating frontiers." He alludes to certain national boundaries that have served in Europe for nearly one hundred years, growing continually less subject to disturbance. Nobody, he says, wishes to use force to readjust the mutual frontiers of Holland and Belgium, of France and Spain, of Spain and Portugal, or of Italy and her neighbors. Mr. Wells cannot see why it should not be possible at the close of this war to make such a readjustment as to secure practically the same peaceful situation for all the European powers.

As for a practical program of map revision, Mr. Wells suggests, in the first place, that France must recover Lorraine, and Luxem-

burg must be linked in closer union with Belgium. To Alsace he would give the choice between France and an entry into the Swiss confederation. He would restore to Denmark the Danish part of her lost provinces, and to Italy he would give back Trieste and Trent and perhaps Pola. These, however, are to be looked upon as minor changes compared with what must be expected in the east of Europe. The breakup of the Austrian Empire, says Mr. Wells, has hung over Europe for forty years. "Let us break it up now and have done with it."

Writing before the announcement of the Czar's policy towards the Polish people, Mr. Wells proposes that the three fragments of Poland,—Russian, Prussian, and Austrian,—should be united, and that the Czar of Russia should be crowned the King of Poland. Furthermore, Mr. Wells proposes that the English set before themselves as their policy the unification of that larger Rumania which includes Transylvania and the gathering into a confederation of the Swiss type of all the Servian and quasi-Servian provinces of the Austrian Empire. He would then exact the restoration to Bulgaria of any Bulgarian-speaking districts that are now under Servian rule. The remaining Bohemian Slavic fragments of Austria might very well be united in another Swiss confederation.

# LEADING ARTICLES OF THE MONTH

## JEAN JAURÈS, THE FOREMOST FRENCH SOCIALIST

ON the evening of July 31, Jean Léon Jaurès, the leader of the Socialist party in the French Chamber of Deputies, and recently described by the *Temps* as the most conspicuous Socialist now living, was shot down by an assassin's hand as he sat peacefully dining at his accustomed restaurant in the company of other Deputies and some members of the staff of his journal, *Humanité*.

Thus perished, in the prime of his vigorous manhood,—he was but fifty-five,—a man who had labored unceasingly for years to remedy the wrongs and advance the interests of the proletariat, and particularly to make impossible the ruthless wars in which the people, without will of their own, become mere “gunflesh” to feed the ambitions or private interests of their rulers. Indeed, Jaurès may be considered the first victim of that hideous Masque of Death which scarce a month ago was uncurtained before the incredulous eyes of a horrified world.

For not only was Jaurès a warm advocate of the measure advocated by many Socialists, of controlling war by means of the “general strike,” but he had within a few weeks bitterly opposed what is known as the Three-Year Military Law, passed by France as a means of checkmating the German increase of troops. It was this opposition which caused an insignificant and hot-headed youth, Raoul Villain, inspired with military fever, to shoot the Deputy as a traitor to his country, according to the murderer's own confession.

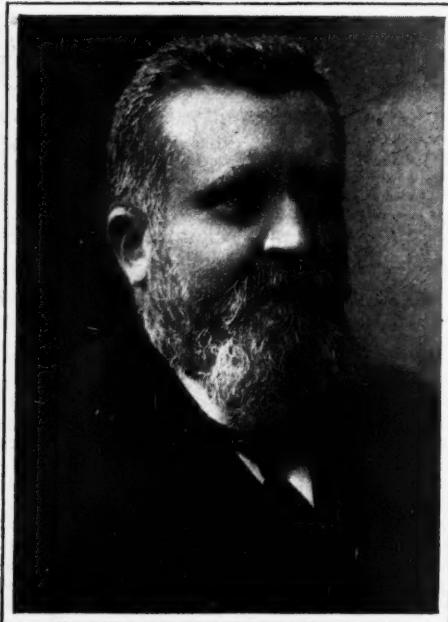
In view of this and of the brutal conflict now raging in Europe, the last important public utterance of Jaurès takes on a somber and prophetic significance. On July 15-16 the French Socialists held a called meeting for the purpose of deciding what instructions should be given to delegates to the Internationalist Socialist Congress, which was then expected to meet in Vienna in August, regarding the “general strike” for preventing war. Points of difference were the question of offensive and defensive wars, the application of general laws to present and of whether the strike should be called conditions.

With all theoretical differences that may exist we are agreed that action is imperative. And if the general strike of all nations will give the necessary result, why not employ it? . . . The point at issue is not whether, in the event of war, a general strike will be called in each country affected, . . . but rather, whether it will be systematic, organized effort, conducted along international lines, for prevention of war.

The problem presents immense difficulties, particularly for two countries, France and Germany. England is an island, and has provisions for months ahead; Russia is protected by its immense size. France, however, faces the danger of Pan-Germanic and Pan-Slavonic invasion. No one would accuse the German workers of forgetting the splendid aid rendered them by their Russian comrades in '48, or of ignoring the Pan-Slavonic factor. No one could convince the French workers that there is no danger in the Germanic influence.

It would be the crime of crimes to set the German and French working people against one another, but just for that reason is international action and direction necessary. Such action is possible, but not after the declaration of war.

Jaurès was from the south, as was amply attested both by his physique and his emotional and exuberant temperament. His name, indeed, seems to indicate a Spanish origin. He was born at Castres in 1859, of a respectable bourgeois family, received an excellent education, and graduated with honors, being made a fellow of philosophy at 23. He was appointed to a professorship of philosophy at the Lycée of Albi and later obtained the chair of philosophy in the faculty of Arts at Toulouse. It is observable that his birth, training, and early career were thus very different from those of his great German contemporary, August Bebel, although they came to hold so many ideas in common. He was, in fact, a typical member of that group of “Intellectuals,” university men, professors, journalists, etc., which forms so marked a feature of the French Socialist party. He was led to his conclusions by no stern experience of manual toil under unjust and oppressive conditions, but by the study of the history of human society and the application of general laws to present conditions.



JEAN JAURÈS, THE FRENCH SOCIALIST LEADER  
WHO WAS ASSASSINATED ON JULY 31

He entered the Chamber of Deputies in 1885 not as a Socialist, but as a Republican. Robert Hunter says, in his "Socialists at Work":

He immediately became one of the leaders of the radical group, and, although he did not announce himself as a Socialist, he was at that time entirely sympathetic. Upon his defeat in the election of '89 he returned to the university again as professor of philosophy. While there he prepared two studies for his doctor's degree, one of which was upon "Origins of German Socialism." In 1893 he announced himself as a Socialist candidate and was elected by an enormous majority. He, Millerand, Viviani, and others formed the Independent Socialist party.

Viviani is the present premier of France and was one of the conspicuous mourners at Jaurès' funeral. Millerand became the focal point in the storm of conflict which rent the Socialist party regarding the policy of allowing one of their members to join the government. He was offered a portfolio in the Cabinet of the Waldeck-Rousseau Ministry. Jaurès warmly urged him to accept it, thinking he could thus be of invaluable service to his party. But the old leader Guesde, one of the chief founders of the party, bitterly opposed the idea. To him and his followers it was an unworthy compromise, supping broth with the devil. There was a violent clash between opposing factions in the party and the affair was

deemed of such great moment considered as a question of principle and policy that it became the leading issue of the International meeting at Amsterdam in 1904. Here occurred the memorable debate between Jaurès and Bebel, which was the climax of the former's career, and though the German defeated him, he did not fail to rouse thunderous applause and to carry the conviction of his personal sincerity.

This debate between the two famous leaders has been called "a titanic international duel." With all the force of his "torrential eloquence," of his magnetic personality, and his brilliant logic, Jaurès defended his action in the Millerand case and his general position as regarded French politics. He maintained that it was impossible to pursue the same tactics in all countries. He claimed that there was an essential difference in the political methods suitable for a republic and those to be employed in an autocracy. The very helplessness of the German party under an imperial government, he said, was an adequate reason for an uncompromising or even hostile attitude toward all other parties, and the maintaining of a solid front of opposition to the enemy at all points.

In a republic, on the other hand, the proletariat exercises a considerable degree of power and for this reason should accept the responsibility of taking part in the government. He felt that thus his party might accomplish many reforms directly and achieve a gradual interpenetration of established views by their own doctrines.

Bebel, likewise a powerful speaker and accustomed to swaying multitudes by his eloquence, contented himself with a calm, logical, dispassionate statement that the hostile methods of the German Social Democrats and their steady refusal of compromise had gained for the German working-men a far greater range of social reforms than opposite methods had obtained in France. These proven facts gained the day and Jaurès at once showed the bigness of his nature and his conviction that in unity alone lies strength by yielding his views and accepting the will of the majority. One of his principal services to his party, in fact, was the unifying influence he had exerted for fifteen years on its hitherto warring factions. Yet, where he became convinced of the truth he was ready to uphold it despite its unpopularity, as he proved in his action in supporting Dreyfus when convinced that he had been wrong.

There was a curious echo of the Amsterdam debate at the time of the Morocco difficulty. Chancellor Von Bülow forbade Jaurès to deliver an address in Berlin to German Socialists, in the following terms:

Against the personality of M. Jaurès I have nothing to say. I respect his views on foreign policy and not infrequently agree with them. . . . The personal value of M. Jaurès is not considered, but the political rôle placed upon him. . . . The German Socialists would use his presence to cover their hostile endeavors against the State and national interests. The Imperial Government cannot refrain from using the means at its disposal to prevent the party from seeking to destroy the existing and constitutionally established order. . . . Nearly a year ago M. Jaurès had the opportunity of convincing himself at Amsterdam of how far behind the more practical and patriotic aims of their French colleagues the German Social Democracy stands in its contradictory, doctrinaire behavior.

In spite of the enormous amount of labor involved in the preparation and delivery of his parliamentary debates, and the addresses made in the course of his "whirlwind campaigns" in different parts of the land, as well as for general propagandist purposes, Jean Jaurès was a voluminous writer. He was a regular contributor of leading editorials to the Socialist journal *l'Humanité*, founded by him in 1904, and his published works comprise several volumes showing profound study as well as zealous enthusiasm for the cause to which his life was devoted.

One of the most important and scholarly of these is the "*Histoire Socialiste*," which covers the period from 1789 to 1900, i.e., from the French Revolution to the twentieth century. He endeavors in this to show the social and economic condition of the proletariat, and the causes conducive thereto.

In body as well as in mind and in soul Jaurès was the possessor of a unique and arresting individuality. At first sight one

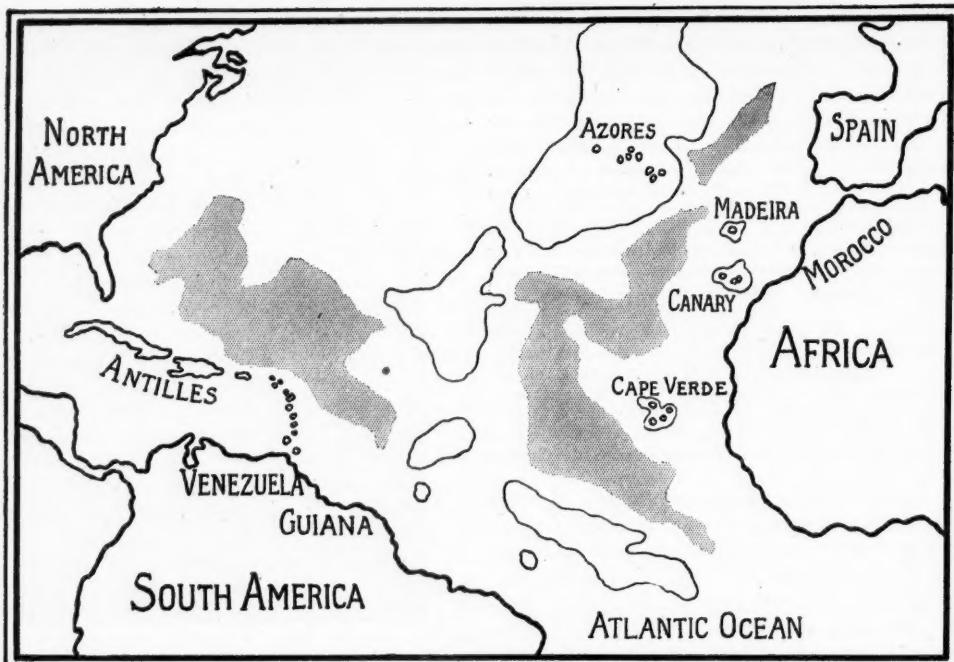
might have supposed that mind and soul were handicapped by the peculiarities of the body, as has so often been the case in the lives of distinguished men. But when he began to talk and warmed to his theme the heavy, clumsy, almost grotesque looking physique developed qualities that made it not a hindrance but an invaluable asset in producing effects. The thick neck held vocal organs of a size that produced a wonderfully deep, rich voice, resonant, musical, and flexible, the most invaluable possession of an orator. The ponderous body and heavy limbs were capable of an amazing effectiveness and rapidity of motion, the fat face was none the less flexible, responsive and obedient to the ardent and impassioned soul of the Southron. Though he wept frequently and copiously, his were no crocodile tears, but were as genuine and sincere as his rollicking laughter. In short, his was the "contagious temperament" and his audiences likewise wept or laughed in unison. He played on a harp of a thousand strings and is said to have been as fascinating a spectacle as the elder Coquelin. *Figaro* declared he was a true "romantic" and a natural comedian who had missed his vocation. A very clever and amusing description of him appeared not long ago in the *Lanterne*. While obviously a verbal cartoon, it emphasizes the salient points of his personality:

His elephantine limbs, short and sturdy, his tremendous feet, the pendulous and quivering paunch, the flowing white whiskers and the florid fatness of the face, blend in one arresting, irresistible impression which no cartoonist has ever adequately conveyed. He is a living caricature, one that no artist can approach. No line is comical enough to register such contours, no crayon can reach the exaggeration of their reality. Even the gigantic ear seems to act independently of the head. Every gesture is terrific in its energy.

## "ATLANTIS" ONCE MORE

FROM the earliest times of recorded European history has come down to us the tradition of a vast island, or continent, far to the West, beyond the Gates of Hercules,—the site of the Elysian Fields, the Home of the Blessed. But, with the growth of geographic knowledge, this beautiful tradition has suffered the fate of so many others and has been placed in the class of exploded myths,—the fond imaginings of poets and dreamers. Nevertheless, from time to time there has appeared a champion eager to prove the plausibility of, if not the necessity for, not sufficed to explain, for example, an ac-

Prehistoric remains, scattered over large areas in North, Central, and South America, have been declared capable of no reasonable explanation, save upon the assumption that communication between the Old World and the New must in far distant times have been vastly easier, so far as distance is concerned, than it is to-day. To many, the nearness of the Bering Straits has



MAP SHOWING RELATIVE POSITIONS OF SPANISH PENINSULA, NORTHWESTERN AFRICA, NORTH-EASTERN SOUTH AMERICA, AND SOUTHEASTERN NORTH AMERICA, WITH RESPECT TO THE SEVERAL ISLAND GROUPS

(Shaded ocean areas are those of great depth. Other circumscribed ocean areas are shallows. In order to avoid confusion, the shallows extending out from the shores of the continents have not been indicated on this map)

quaintance, on the part of certain of the and fossil, of the island archipelagoes lying ancient American peoples, with the elephant to the west and southwest of the Spanish and other animals long extinct, if they ever existed, west of the Atlantic. If, however, evidence of a striking character has been we assume that the Canaries, the Madeira brought forward in support of the "Atlantis" group, the Cape Verde Islands and, possibly, tradition.

the Azores are merely the surviving high- The question of Plato's "Atlantis" has lands of a continent which once spanned the been discussed by many authors and from greater part of the equatorial Atlantic and, diverse points of view; very recently, L. later, sank below the ocean level, the solution Germain has examined the matter anew from of such problems is immensely simplified. the standpoint of the zoologist ("Le Prob-

On the other hand, the assumption of the lème de l'Atlantide et la zoologie": *Annales existence for ages of a continent bridging de Géographie*, 1913). It is well known the ocean and of its subsequent almost com- that tradition testifies to the existence of a plete disappearance, is most certainly difficult continent in the equatorial Atlantic, and to adopt, even when so eager an advocate as, the fact that this continent was overwhelmed say, Ignatius Donnelly argues in its favor, at the very beginning of historic times. After Changes in the earth's configuration upon so having been long ago relegated to the category gigantic a scale, in comparatively recent times, gory of myths, this curious Greek tradition cannot be predicated except upon the basis of has taken a new lease of life, and we are to a great array of substantial evidence. And day almost in a position definitely to locate so the learned world has been satisfied with the continent in question in the region of the admitting that Donnelly's argument is in- Cape Verde Islands.

genious if unconvincing, and that the tradition handed down to us by Plato is a beautiful one even if it is not history. From the viewpoint of zoological geography this is the way the matter stands:

A writer in a recent number of *Cosmos* islands is *homogeneous*. To quote M. Ger- marshals a series of observations made by main: "In all the zoological divisions the naturalists upon the fauna and flora, present same genera or representative genera are to

be found in the different groups of islands. dragon-tree, and the euphorbia give this flora, The fauna of the southernmost islands (the however, a quality suggestive of Northern Canaries and, especially, the Cape Verdes) Africa.

bears witness to a drier, desert-like climate." The crustaceans of the eastern coasts of Besides, this fauna shows analogies only with America show the closest analogies with those those of the West Indies and Central America, and of Southwestern Europe and North-western Africa,—none with that of tropical Africa.

The tertiary molluscs of west-central Europe have their closest relatives among the species now found among the Azores, the Canaries, Madeira, and the Cape Verde Islands. This is a striking fact. A quaternary species of this last archipelago, *Rumina decollata*, is characteristic of the fauna of the shores of the Mediterranean, and we encoun-

ter among the Canaries and the Azores a fern, *Adiantum reniforme*, unknown to-day in Europe, but which in the pliocene age crossed to Portugal. Finally, the *Helix gruveli*, of the quaternary strata of Morocco, closely resembles existing species found in the Canaries, and the same type of quaternary deposits are also to be found in this archipelago.

The flora of these island groups is essentially of the Mediterranean type, and the special types are representative of the forms of Southern Europe. The date-palm, the ian continent,—probably Venezuela."

of Western Africa. The same may be said with regard to marine molluscs, fifteen species of which are common to the shores of the Antilles and to those of Senegal, "without its being possible,"—to quote M. Germain,—"to conceive of the transportation of the spawn from the one to the other." The madrepores studied at St. Thomas (off the west coast of Africa) by Charles Gravier, are in the same way entirely analogous with the species found at Bermuda and on the coast of Florida.

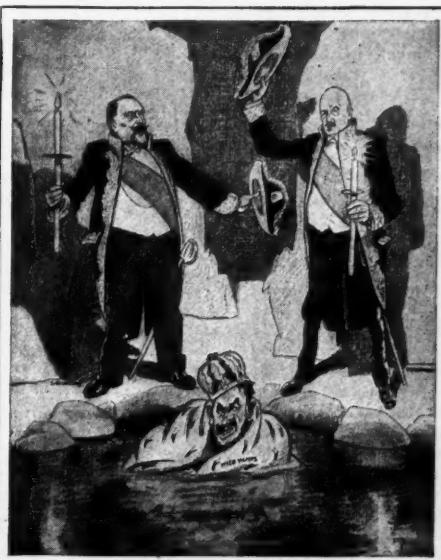
From these facts, therefore, in the opinion of our author, the conclusions may be drawn: First, that the island groups were at one time united in a single continent corresponding to the traditional "Atlantis"; second, that this continent was connected on one side with Morocco and Portugal, and (again quoting M. Germain) "must have had for a southern boundary a shore line which began in the neighborhood of the Cape Verde Islands and ended at some point, as yet not capable of exact determination, on the Amer-

## ALBANIA THE PICTURESQUE

A NUMBER of articles appearing in the French and German magazines on Albania and its strange, picturesque inhabitants devote particular attention to the warlike character of the people who refuse to accept the Prince of Wied as their king. Two of these articles, one in *La Revue* and the other in the *Grande Revue*, of Paris, are particularly noteworthy.

According to the writer of the article in *La Revue*, himself an Albanian, when Austria found herself cut off by Greece and Servia from the Egean Sea, she conceived the idea of "creating a queer little kingdom called Albania in order to be able, should favorable circumstances permit (provoking them, if necessary) to slip through Albania to the much coveted port on the sea."

The author of this article, Sefer Bey, has had an extraordinary career. In 1875 he was sent by Yussef Pasha, then Minister of Finance to Turkey, on a mission, along with a number of other young graduates of the School of Forestry, which was conducted under the auspices of the French Embassy at



THE OPERA BOUFFE OF ALBANIAN ROYALTY  
(Austria and Italy, like characters in comic opera, rejoicing at Prince William's discomfiture)  
From Borsszem Janko (Budapest)

Constantinople by highly competent sylviculturists. He was to obtain from the local Albanian authorities,—concessions for the railroad company of Salonica-Uskub,—with a view of securing timber for ties and poles. The description of various interviews he had with Albanian officials serve to show what sort of people the Albanians are, and how ignorant on the subject the European political chess-players have proved to be when they sent a German Catholic princeling to reign over them. One interview which took place in the office of the Defterdar at the Palace of the Prefect is best told in Sefer Bey's own words:

The so-called palace was a big ramshackle wooden building open to the four winds, having long narrow windows without glass or curtain. In a vast chamber sat a small man of advanced age. He had a long beard and piercing eyes. He wore a tight Turkish uniform and a fez of the shape of an inverted flower pot. He was the only official present, wearing the classic uniform of the "effendi." Around him sat a dozen scribes squatted in arm-chairs. They all wore a sort of skirt, called "malakafee" and light brown felt hats tilted well on the side of their heads. On the back of every chair I noticed a formidable display of arms,—pistols, dirks, yatagan in richly carved and chased scabbards of ivory, steel or silver. I left this, veritable arsenal and repaired to other State Departments only to find the same conditions,—the same type of men, the same faces bespeaking unruliness, violence and haughtiness . . . Wherever one went the men and women looked as if ready for instant battle. The men were handsome and well-made, but the expression of their faces that of the primitive man, bestial, aggressive, seldom smiling. They have nothing in common with the Asiatic Turk either physically or morally.

This mission having failed, Sefer Bey begged to be allowed to try again and was permitted to go to Dibra on the same errand. Here he was graciously received by Kirlan-guitch Agu,—who seemed to be the Primate of Dibra.

He suavely informed me, after I had tried to represent to him the great advantage it would be to the country if they granted us the concessions we asked in order to extend the railroad system,—that Albania belonged to the Albanians, that the forests of the vilayet were the property of the Beys, that the Padishah,—whom they venerated like the very shadow of the Almighty,—had not temporal authority over them. That the Governor General only resided in Albania to provide money for them, and that they neither had the habit, nor the desire to submit to the laws of the Empire, to pay taxes, to see civil courts established and least of all, to furnish soldiers to Turkey. . . . They were born free and free they would die. . . . He concluded by saying that if we wanted timber we would have to pay for it. While he spoke he punctuated his sentences by laying a caressing hand on his pistol, I finally had to sign agree-

ments to pay ten piastre for every pair of ties, payable to the Beys, not to the Government, be it added, and after much perturbation and vexation I wired to the Minister of Finance: "If you do not agree with my arrangements, send troops!"

After forty years Sefer Bey again visited Albania recently as a tourist and this is what he says:

I have found no material change in any respect. Not in the economic state of the country, nor in the manners, or the mentality of the people. I have noted the same hatreds, the same clans, the same indolence and the same persecutions. They are people who are refractory to any social discipline, impossible to govern or to embody into a well regulated social organism. Such people should be left to themselves, like a herd of untamable horses. . . . Unless held in terror by a sovereign power like that of the ancient conqueror sultan. "To subjugate and civilize a million Albanians who can be counted as so many warriors is something of an undertaking. It would take more than twenty or thirty thousand international troops to keep that wild population peaceful. Certainly, left to their own devices they might present a grave danger to others, and the best solution to the problem," continues Sefer Bey, "would be to establish over them a Mussulman Government for the Albanians, with a very small sprinkling of Christians, are Mussulman,—under a prince of the house of Osman whose prestige might command their respect, and who would govern without intervention from Constantinople. . . . To the cry of 'The Balkans for the Balkans' should be coupled that of 'Albania for the Albanians' . . . 'One kills men,' says Volmy, 'but one does not kill facts nor the circumstances of which they are the outcome. Austria can spill torrents of blood and pour out rivers of gold but she will achieve no tangible, practical results.'"

#### Life and Adventures of Essad Pasha

The most picturesque Albanian, however, of whom the western world has any knowledge is Essad Pasha, who at one time disputed the kingship with the Prince of Wied. A writer in the *Grande Revue*, François Delaisi, in mock heroic style, portrays Essad's career. He says:

About fifteen years ago Ghani Taptan, a brother of Essad Pasha, went to Constantinople to seek his fortune in the service of Abdul Hamid. He became a Bey and then an aide-de-camp.

During that time Essad was rounding out his lands at the expense of the neighboring tribes. He was doing this so well that the Padishah summoned him to Constantinople to put a stop to his brigandage and made him an officer of the gendarmerie. Some time after the brother of Essad was killed by the son of the grand vizier, and the chief of the gendarmes, instead of apprehending the murderer, merely had him assassinated. In 1908 we find Essad Pasha enrolled under the banner of the Young Turks. But the following year Abdul Hamid, having realized the mistake he had made, became reconciled with the Alba-

nians. Whereupon Essad backed his compatriot, Ismail Khemal, and helped to overthrow the constitution. Mahmud Chevket lost no time in punishing the Albanian guard and Essad fled to the mountains. In 1912 during the Balkan conflict Essad fought for the Sultan. He mobilized his clan and threw himself into the besieged Scutari. Hussan-Riza received him cordially, but the news of Turkish defeat suddenly reawakened Essad's patriotism. He raised the Albanian flag again. After the mysterious assassination of Hussan-Riza, Essad took command of the place. This state of things did not last long for having heard that a foreign prince was to be put upon the throne of Albania, Essad gave up the place to Montenegro. Was he to receive the crown as the price of his treason? It might have been sound politics, but the choice fell upon the Prince of Wied. But Essad did not renounce his ambitions. Seven rival governments were tugging at each other in Albania. Essad alone represented a real force. He gathered 15,000 Ottomans expelled by the Serbs, and with this undaunted band he beat back his Mussulman rivals one after another.

He then negotiated with the Christian population and obtained from them, and from all the rest, for that matter, a declaration of hostility against the government by a Christian prince. He was casting about for funds to carry out his plans when news came that Italy and Austria had decided to advance the 12,000,000 francs necessary to the Prince of

Wied. Defeated, Essad had to be content to be made Minister of War and of the Interior. In reality he was still the master.

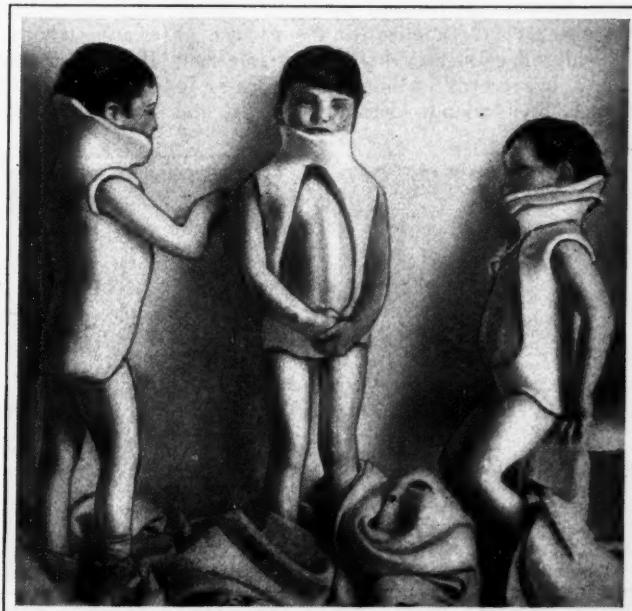
Then came the Epirote insurrection. The Greeks, forcibly incorporated into Albania, defeated the 500 Albanian guards and William I issued a call to arms, but appointed de Weer, a Hollander, General-in-Chief. Then we hear: "The Albanians have taken up arms against their King. Essad to protect his Prince (?) called cruisers from Brindisi and turned over the gendarmerie to the Italians. Then a little panic sufficed to decide the Prince to flee. Essad would guide the revolt and Europe would only have to ratify the accomplished fact.

Alas! a letter of Essad's, encouraging the revolted Albanians fell into the hands of William I. The Prince had remained but one hour on the cruiser upon which he had taken refuge, but that was enough to kill his prestige. As for Essad, Italy tore him out of the claws of Austria and he is now enjoying the golden *dolce far niente* of kings in exile under the blue Neapolitan skies. The peoples of his clan consider him a victim of the infidel, and here we leave him, promoted to the estate of a martyr of Islam. The truth is that they should have made him King, even if the Hapsburgs, the Hohenzollerns, and the Romanoffs had had to veil their faces.

## HELIOTHERAPY: MIRACLES WROUGHT BY SUNSHINE

**A**LTHOUGH for untold centuries mankind has looked upon sunlight as beneficial to health, and in ancient religions the sun-god was also the god of healing, as Apollo, for example, yet it has remained for the present century to demonstrate irrefutably that the rays of the sun are not merely of benefit to the general health and vigor of the body, but are capable of healing,—more surely than the surgeon's art,—those ghastly deformities due to tuberculosis of the bones and joints.

Medical men have been slow to believe that the terrible afflictions due to what is known as surgical tuberculosis, including "white swelling" of the



TREATMENT OF POTT'S DISEASE OF THE SPINE WITH PLASTER JACKETS AND HELIOTHERAPY AT SEA BREEZE HOSPITAL, N. Y.



Photograph by George J. Hare

## LITTLE PATIENTS TAKING THE SUN TREATMENT FOR TUBERCULOSIS

These little girls are receiving the Rollier treatment for the white plague. The daily walk with their nurse for exercise is an essential part of the program. These children are patients at the J. N. Adam Memorial Hospital, an institution built and maintained by the city of Buffalo, N. Y., at Perrysburg. The sun treatment for tuberculosis in the incipient stage has been extensively tried in the Swiss Alps, where thousands of patients are now receiving the treatment at hospitals and camps. It is applied all the year round. The first important test of the treatment to be made in this country is that at Perrysburg,—situated at a comparatively low altitude)

knee, running sores, and even the hunchback latterly in America, where it has been tried. characteristic of Pott's disease of the spine, One of the leading Continental authorities could be absolutely cured merely by direct sunlight properly applied to the surface of erland, who opened his first sanatorium in the body. Yet such is the incontestable fact, 1903, last year gave an address before a proved by records of hundreds of cases in prominent Medical Association in which he France, Switzerland, Germany, Russia, and stated that out of over 1100 cases of surgical tuberculosis treated by Heliotherapy he had secured 951 complete cures.

The cases included both children and adults, even of advanced age, and many of them were extremely grave, as shown by the pictures we present, for which we are indebted to a recent Smithsonian report. A late number of *La Nouvelle Revue* (Paris) has an interesting article on this subject from the pen of Dr. Louis Camous, from which we present the following extracts:

POTT'S DISEASE WITH PRO-  
NOUNCED DEFORMITY AND  
MUSCULAR ATROPHYTHE SAME PATIENT AFTER  
FIFTEEN MONTHS OF  
HELIOTHERAPY

In 1906 the Faculty of Paris received with a skep-

tical smile the thesis of our interne Borriglione entitled: *Treatment of Surgical Tuberculosis by Heliotherapy on the Mediterranean Coast.* However, observation and study have rapidly established exact and systematic knowledge of this novel therapeutics. In 1914 Heliotherapy is a precise science and the sun is a therapeutic agent which physicians should know how to administer in the proper dosage.

How does the solar cure operate? Heliotherapy acts by direct radiation; the ultra-violet rays are the active agents. . . . Solar baths may be general or partial and are employed in chronic maladies due to imperfect nutrition, in depressive maladies, in anemia, and in tuberculosis. At a session of the Dauphiné Medical Society on Oct. 14, 1913, Dr. Corneloup presented the history of an invalid suffering from tuberculous peritonitis treated by heliotherapy. The patient, a girl of 20, suffered from intestinal tuberculosis and was incapable of the slightest exertion. On April 20 she was placed on a reclining chair in her garden with her abdomen entirely bare and exposed to the sun. This was done for one hour in the morning and again in the afternoon. By the end of August, some 4 months later, she was entirely cured and had gained 10 kilograms in weight. Her physicians said to their frères in Dauphiné: "It is manifest that the sun was the curative agent since medical treatment had been without result and improvement was evident from the earliest days of the insolation."

In 1886 a Russian physician, Snéguireff, described the technique of the sun-baths which he prescribed in certain uterine affections: "The patient envelops the abdomen and lower limbs in black clothing, the breast and head in white garments. She lies on a couch outdoors in full sunshine, with an umbrella protecting the upper part of the body only. The bath lasts from a half hour to an hour. At the end of this time the invalid turns over and lies on her stomach." . . . The hospital at Nice, which was one of the first to generalize the employment of sun-baths, perfected this method and each of its surgical walls is completed by a *solarium* for the giving of sun-baths.

Dr. Camous says further that the sun treatment should be progressive, continuous, methodic, and carefully supervised. The patient must also be trained gradually to endurance, for the first exposures are sometimes painful.

Generally, at the end of half an hour, the abdomen is covered with sweat and the invalid has a painful sensation of burning. The doctor then intervenes to abridge the exposure, and some patients can never exceed half an hour after a preliminary training of 10-minute exposures. The exposure, at first partial, must not be made total till after a considerable number of treatments; the head should be sheltered by an umbrella. It is well to sip slowly a moderately warm drink.

Surgical tuberculoses derive a particularly great benefit from this treatment. Certain atonic wounds, fistulas, ulcers symptomatic of tropic troubles, are literally metamorphosed. Patients suffering from Pott's disease may be extended on hard solid beds with their backs exposed to the sun.

One of the most striking pictures we reproduce is of a young girl afflicted with this terrible spine trouble, and as a consequence, wasted, feeble, and hump-backed. After fifteen months' treatment by Dr. Rollier, the sun had transformed her into a straight, shapely, plump, and healthy maiden, miraculously different from her former self. Since in children the vertebrae are almost as near the front as the back it is usual in these spinal cases to use a plaster jacket on the child, with an opening in front allowing the sun's rays to fall on the abdomen. It may be said in conclusion that this treatment has been used with much success of recent years in the Babies' Hospital at Sea Breeze, near New York City.

## THE VOCAL MUSIC OF MONKEYS

IT is commonly supposed that man is the only mammal capable of rivaling the birds by so modulating the sounds of his voice as to produce that harmonized series of notes which we call music. But this is declared to be a mistake on trustworthy evidence presented by travelers and musicians and passed in review by an eminent anthropologist. Mr. P. G. Mahoudeau, a professor in the School of Anthropology in Paris recently contributed an article entitled "The Origin of Vocal Music in the Primates" to the *Revue Anthropologique*, of which we find an abstract in *Cosmos* (Paris) for July 9.

According to this many travelers have observed that certain monkeys and certain anthropoid apes give utterance at sunrise to a series of shrill cries, which, though dis-

agreeable to human ears, seem to possess a definite rhythm.

Observations of this sort concern two families of Quadrumanæ: the Howlers or Stentors and the Gibbons. The first are found in the tropical regions of South America, the second in Indo-China and islands in the Sonde.

The manners of the Howlers were described in the seventeenth century by a German physician, Margraff, in his "Natural History of Brazil." . . . According to him they assemble every day, morning and evening, in the woods. "One of them takes an elevated position and motions to the others to seat themselves and listen. Then he commences a discourse in a voice so high and rapid that at a distance one would think they were all screaming together. However, it is one alone, and while he speaks the others preserve a profound silence. When he ceases he makes a sign with his hand to the others, and they respond by crying out all together until he makes another signal for them

to stop. . . . Then the first takes up again his speech or song, and they do not disperse till they have listened to him attentively."

Modern travelers confirm this observation. One named Schomburg says he had been told the leader was always taller and with a shriller voice than the rest of the band, but this he could not confirm, though he witnessed the concert and observed that there was a leader, and also that there was a species of harmony in their cries. He says:

At times the whole band was silent; the next moment one of the chanters raised his disagreeable voice anew and the howling recommenced. One saw the bony drum of the hyoid bone, which gives their voices the characteristic strength, rise and fall when they cried. The sounds resembled now the grunt of a pig, now the cry of a jaguar leaping on its prey, now the low, terrible growl of the same animal when it perceives danger threatening it.

Another observer notes a highly interesting peculiarity in that the Howler is capable of uttering at the same moment shrill sounds and deep ones, having the effect of a duet! He explains this curious phenomenon as follows:

In this animal the air, in issuing from the lungs by means of the trachea, can follow two different directions at the same time. It may issue directly by the glottis, or pass by an enormous cavity hollowed out in the hyoid bone, which forms a regular resonator. The air which issues directly gives the shrill sounds, while that which passes into the box of the hyoid bone produces the deep and sonorous sounds.

In frequent examinations of bands of Howlers, we noted that when one of these animals is singing he walks up and down alone while all the others remain perfectly motionless. It is to be observed that it is always the largest male who utters these veritable duets.

The Gibbons or Hylobates have similar vocal exercises. Mr. D. Veth, a member of the Geographical Society of Amsterdam writes thus of the "siamang" (*Hylobates syndactylus*) in the Island of Sumatra.

When one of these animals comes near you he utters incontinently a furious and deafening music. From the highest, shrillest notes, they pass suddenly to the lowest. Now they bark like dogs or cry like babies; again, they seem to be ventriloquists or to be calling a friend at a distance. Sometimes their cries change abruptly from gay and cheerful notes to lugubrious groans. When you first hear them you would swear there were at least twenty, but you find it takes only three or four to make all this hurly-burly.

Mr. Mahoudeau quotes the naturalist Waterhouse, who was also an excellent musician to prove the rhythmic character of the Gibbon's cries, which he observed in a captive animal. Waterhouse declared that his ear was able to detect a true chromatic scale uttered with precision, and he was able to write down the musical notation.

The song which the Gibbon Wouwou utters every morning begins with the *mi* of the middle octave, then ascends gradually, semitone by semitone, to the upper octave. During the whole time of the ascent, as well as during the descent, the fundamental tone of the *mi* of the middle scale persists; it serves as a point of departure, a sort of base, to all the other tones.

The sounds of the ascending gamut are emitted at first *allegretto*, then continue *accelerando*; afterwards they become *crescendo*, but then they are slower. In descending, the sounds become stronger and also more rapid, *prestissimo*, and then terminate very rapidly.

In finishing its series of cries,—or, better said, its song,—the Hylobatic virtuoso utters twice with all its strength a resounding cry formed by the two *mis* of the octave. Waterhouse estimates that the duration of the *mi* of the middle scale corresponds to a minim, and that of the *mi* of the upper octave to a quaver.

While the singing Gibbon devotes himself to this vocal exercise, he appears in the highest degree excited, for all his muscles are tense and his entire body commences to tremble, a state which evidently indicates a powerful effort. From the musical point of view the result obtained by the Gibbon Wouwou is remarkable,—"the regularity, the rapidity, and the precision of this song are marvelous." Thus it is incontestable that these frightful, deafening cries may be considered true songs of perfect musical execution.

## THE FOOD VALUE OF FRUITS

**A**T this season of the year, when most of that primitive diet as a cure for all digestive while the rich treasures of the fall are beginning to be harvested in orchard and vineyard, it is well to consider just what part should be played in the dietary by fruit. There is a wide range in the practise of humanity in this respect, from the fruitless menu of the Eskimo to that of the "Fruitarians," who claim that fruit and nuts form the natural food of mankind and advocate a return to food, but proves conclusively that the posi-

The matter is discussed at some length and with undoubted authority in *La Revue Scientifique* (Paris, July 4), by Professor Labb  , of the Faculty of Medicine of Paris, who has devoted much time to a study of the subject and conducted extensive experiments thereupon. He warmly recommended the regular use of fruit as a part of the daily food of mankind and advocate a return to food, but proves conclusively that the posi-

tion of the Fruitarians is untenable. It is their appetizing quality and the variety not only difficult to obtain the right proportions of the principal elements from fruits alone, but even if this be done, there is an undue tax on the digestive organs from the bulk of the food and from its indigestibility in large quantities. Furthermore, the expense would be in most cases prohibitory. We summarize the more essential parts of the article:

Fruits constitute the nutritive reserves amassed about the seeds or germs of plants to permit their ulterior development. But in dietetics or the culinary art they are classified rather by their mode of consumption. Many fruits thus pass, with some appearance of reason, into the category of vegetables. We may cite as such, the pumpkin, cucumber, melon, egg-plant, *marron* (large chestnut), etc.

But the dietetic classification of fruits is based on their analogies of chemical composition, especially as concerns the percentage of water, of sugar, of starch, of proteins or albumens, and of fatty substances.

Thus regarded, Prof. Labb  classifies fruit into 5 groups:

1. Acidulous watery fruits.
2. Fresh sugary fruits (from which are derived dry sugary fruits).
3. Fatty or oleaginous fruits.
4. Albuminous fruits.
5. Starchy fruits.

The first do not contain starchy matters when they are thoroughly ripe. They have little albumen, rarely more than 0.5%, but when of good quality contain a good deal of sugar, from 4 to 24%. At the same time they are very acid and when of poor quality or unripe it is this acid taste, more or less aromatized, which predominates. In fact, all fruits contain a greater or less proportion of ethers whose *ensemble* constitutes the characteristic perfume. Some of these fruits contain as high as 90% of water. This explains their low food content. Their r le is to be refreshing and agreeable to palate and stomach.

As regards the various kinds of sugary matters only a few fruits, such as figs and dates, contain saccharose. The usual form is levulose, or "fruit sugar," an inverted sugar. The grape contains exclusively "grape sugar," or glucose. Others contain maltose, mannose, arabinose, etc. Common watery fruits include apples, pears, plums, apricots, nectarines, quinces, cherries, strawberries, raspberries, etc., of the family of *Rosaceae*, and of other families the gooseberry, orange, lemon, pineapple, pomegranate, etc. . . . The plum is a watery fruit which has a high per cent. of sugar, from 8 to 10%. . . . The peach, aqueous and exquisitely savory when perfectly ripe, has little nutriment, containing only 6 or 7% of sugary matters. . . . The strawberry and raspberry have likewise a delicious flavor, but a low sugar content—3-7%. Gooseberries have even less sugar and consequently less nutriment and are chiefly useful for making jams, compotes, etc.

The chief value, therefore, of such fruits  
Sent.—8

they give to the menu. The second class, of sugars, have a much higher alimentary value. The most important are grapes, figs, bananas, and, above all, dates. Depending on the variety and the latitude, fresh grapes may contain as much as 20 per cent. of sugar. The fig contains 12-17 per cent., and the date contains as high as 67 per cent. No wonder the desert people regard the date-palm as their chief treasure. Thoroughly ripe bananas contain 15-16 per cent. of sugar.

All these, of course, contain much higher percentages of sugar when dried, and are largely used in the dried form. Raisins contain 70 per cent., dried figs 60 per cent., and prunes (since dried plums pass into the sugary class), contain an average of 74 per cent. Dried bananas, too, are highly nutritive and Prof. Labb  warmly recommends them as a food both rich and economical.

The oily or fatty fruits are chiefly olives, nuts of various sorts, and the cacao-bean from which chocolate is made.

These fruits are essentially to be recommended because of their high nutritive power, depending on the proportion of fatty matters contained. Walnuts contain 58%, and hazelnuts 62% on the average. Dried almonds have almost as much. . . . Pine-nuts are very rich in oil. The cacao has about 50%, and fresh cocoa-nuts contain about 50% of oil.

Starchy fruits are less common, but the author makes a highly interesting statement about the banana in this connection:

The green banana must be regarded as a starchy fruit. When ripe the starch is converted into sugar, but there always remains a certain amount of starch in the ripest banana. The cacao is likewise a starchy fruit (14-18%), which explains the presence of a certain amount of natural starch in chocolate. The *marron* is a starchy fruit *par excellence* (15-16%). Hence it is often eaten as a vegetable. Exotic starchy fruits are more numerous, but little known; . . . we may cite the bread-fruit, which contains 60% of starch.

The best-known albuminous fruits are those which are also oily. Walnuts have as much as 11.05% of proteids, hazel-nuts 15.5%, sweet fresh almonds 5.67%, chestnuts, 4.46%, cacao-beans 13.18%. Fresh bananas have only 0.5%, but the dried banana or banana flour has 2.9% of albumens, and dried figs contain 2.26%. We must pass over the author's treatment of the various ways of preserving fruit to his consideration of the proportion of the diet they should form.

Primarily the value of a food must be estimated by its albumen content, since nothing can be sub-

stituted for the albuminoids, of which the daily diet must contain an indispensable minimum. In practise this should not be less than 50 or 60 grams, almost one gram per kilogram (1,000 grams) of the bodily weight. Of the 5 classes of fruit, 4 do not furnish albumen in satisfactory conditions. Hence to be a strict fruitarian one would have to swallow 6-8 kilograms of watery fruits or 4 kilograms of sugary fruits such as the grape. This is not realizable in practise. Only the dried fruits offer in small enough weight a sufficient daily albuminous ration. But the albumen of dried fruits is not perfectly digestible.

Moreover, the "balanced ration" is difficult to secure from fruits alone, for while the nuts might give right proportions of fat and albumen, both the albumen and the fat of nuts are among the least digestible forms, as has been proved in Prof. Labbe's laboratory by his colleague, Larue. Further, the ex-

pense of such a diet is far greater than one containing cereals and vegetables, as proved by the following figures:

Fresh fruits give 100 calories for 19 cents, while bread furnishes the same amount of energy for .3 cents, and dried vegetables for .4 cents. Only meats and salads are dearer. Dried fruits are low in cost, but can not be eaten except in small quantities.

The author gives earnest warning against the eating of raw fruit unless it can be thoroughly sterilized. This especially applies to fruits growing near the ground where they may be contaminated by manure, which often contains germs of dysentery, cholera, and typhoid. The *dejecta* of animals add to this danger, especially of the dog, which may contain tape-worm.

## SEVEN CENTURIES OF THE POST-OFFICE IN EUROPE

"**P**EOPLE write more than they travel," service seems to have been a rich French financier from the Languedoc, who, in 1612, us in the *Revue des Deux Mondes* (July), realized that the official couriers who carried "and conditions are largely modified by the circulation of letters, which has greatly contributed to progress and individual happiness. When one reflects that a two-cent stamp can bring distant friends and dispersed members of families in closer touch, one must admit that this means of communication alone is a source of inestimable joy to mankind."

It might not be uninteresting to recall the main facts in the history of the development of postal service covering a period of seven centuries. Says the Viscount d'Avenal:

In the middle ages the wealthy and the powerful employed both foot and horse messengers. In those days, if a courier carrying letters was ordered to travel night and day, . . . the delivery of a single message cost several thousand francs. There were then throughout Europe more or less regular couriers. Communication between large cities was kept up by messengers working singly or collectively.

Up to the time of Louis XIII of France there was nothing approaching mail service. The first post, with regular relays, was established in Germany on the road running from Vienna to Brussels by the Emperor Maximilian for his personal use only. The cost was defrayed by the crown and amounted to 50,000 francs a year, which sum was still being paid up to 1593 to a certain M. de Taxis, who then operated the Royal Mail road.

The real founder of the continental postal

service seems to have been a rich French financier from the Languedoc, who, in 1612, realized that the official couriers who carried "and conditions are largely modified by the circulation of letters, which has greatly contributed to progress and individual happiness. When one reflects that a two-cent stamp can bring distant friends and dispersed members of families in closer touch, one must admit that this means of communication alone is a source of inestimable joy to mankind."

The innovation proved a great success and "regular" couriers were constituted. Dating from Louvois, War Minister under Louis XIV, the post ceased to be carried by private enterprise, and a regular system was put in operation. Two branches of postal service were established, one for the maritime and land frontiers, the other covering the rest of the territory, which was leased to a "farmer out of the public revenues." It is said that the post netted Louvois six and a half million francs. At the beginning of the eighteenth century the letters for Rome averaged about forty a day. In 1716 Paris had only eight mail boxes from which mail was collected twice daily. In 1759 the "*petite post*" was established, in virtue of which, for the small sum of five cents, letters weighing up to sixty grammes were delivered within the boundaries of Paris, while for the rest of France the maximum weight allowance was only seven and a half grammes. Between Holland and Paris there was, by that time, a direct mail route, and a letter was carried between these points for two francs fifty, while from Paris to Montmorency,—a comparatively short distance,—the rate was three francs.

In 1632 the carrying of money or jewelry

by the post was strictly forbidden, "because regularly along the highroads, like those of it offered temptation to the highwayman and Amiens, Orleans, Rouen, Chartres, and way royal mail might have been stolen and lost." An act of parliament exonerated all messengers from blame for any valuables lost.

The Revolution had the first conception of the rôle that the post would play in modern life. In ten years in France, despite internal troubles and foreign wars, the post service was doubled, and foot or wagon messengers sitting on bundles of straw, carrying the mail

regularly along the highroads, like those of Amiens, Orleans, Rouen, Chartres, and way into Brittany, could be seen up to 1791.

And yet, up to the reign of Louis Philippe, a number of smaller towns had neither post-offices nor daily deliveries, and most of the rural districts had to be content with one delivery a week. It is a far cry, concludes the Viscount Georges d'Avenal, from those days to the days of the telegraph, the telesitting on bundles of straw, carrying the mail phone, the wireless, and the aeroplane!

## A MEXICAN VIEW OF UNCLE SAM

SOME timely articles treating of the political, military, and naval affairs of our distressed neighbor Mexico may be read in the *Revista del Ejercito y Marina*, a clearly printed and well-edited journal now in its ninth year. Its latest issue presents a serious and impressive study of Mexican conditions past and present by Professor Enrique E. Schulz of the Military College. Other articles in the number are more technical in character, treating, among other themes, of the renewal of nitrate mixtures, of a new code for the Mexican navy, and of a special use of wireless telegraphy for surveys.

The leading article by Professor Schulz, entitled "Mexico's Future and her Relations with the United States," opens with a summary recital of the territorial expansion of the United States from Revolutionary times to the close of the Mexican War, culminating in the annexation of an extent of Mexican territory greater than that of the Mexico of to-day. Since that time the expansionist movement has been checked, at least as far as concerns coterminous foreign territory, for Alaska, the Philippines, Porto Rico, and Hawaii all lie far outside our boundaries.

That this expansionist tendency was, however, still existent and always ready to reassert itself on occasion is the writer's rooted conviction, and he implies that the continuance of Mexico's progress along the lines followed with such apparent success during the years prior to 1910, met with but scant favor in the United States, as the result would be the definite establishment of a well-organized and independent state directly on our borders constituting a definite obstacle to any further extension of territory in that direction. To avoid this eventuality was, according to Professor Schulz, one of the chief aims of this country. Of this he says:

The shortest road that could be taken was to profit by the first opportunity that might present

itself to instigate, foment, and support Mexican revolts, which would bring us into disrepute and would demonstrate, even to those who were disposed to praise us, the fragility of our supposed progress. Unhappily, an opportunity soon offered itself, and from this time the United States has never ceased to lend all its aid,—more or less ostensibly, but always effectively,—to the revolutionary disturbances and movements which have followed, under the leadership of chimerical saviors of the country, or of disappointed political adventurers, who have not hesitated to animate by the influence of their deplorable example bandits ready to commit the most infamous and barbarous acts, and have forgotten at the critical moments of their enterprises the true interests of their native land; and this because, one and all, they have been corrupted by the money supplied by capitalists on the other side of the Rio Grande, the real instigators of this unpatriotic and deplorable activity.

Of the eventual aims and actions of the United States this writer holds very pessimistic views, and indicates the probable course of its action as follows:

While thus lending its material aid and its moral support to our disorders, little thought has been taken of their character, of the ideas animating the leader, or of the methods they employ in carrying out their projects. Through the help accorded to the first of these risings, which, precisely because of the obligations it incurred to sustain itself, has originated the whole chain of calamities with which we are afflicted, our neighbors feel able to await quietly the moment when our energies shall have been consumed, our resources exhausted, even though but for the moment, and our people decimated.

When at last we awaken to a sense of these great evils, but are at the same time too much weakened and too blindly involved in some one of these fratricidal campaigns upon which we have lavished all our available force, then will have come the long-hoped-for moment, when it will only be necessary to confine us closer still in the "zone of compression" in which we are placed.

The prey will be seized with the least possible expenditure of force, so that it may be dismembered into four or more fractions, which, although when separated from the central Mexican territory they may acquire a nominal independence, will be governed to suit the exigencies and requirements of Yankee capitalists.

In conclusion we may note that Professor of the United States, since the term American Schulz does not regard the use, now common would have for Spanish or Latin-American among Spanish writers, of the term Yankee readers no adequate meaning, and even the as implying any depreciatory significance, but designation North American would not be considers that it is only employed as a necessarily descriptive, applying as it does to other designation of the people or government countries than the United States.

## THE MEXICAN DRAMA AS REVIEWED BY THE MEXICAN PRESS

THE official organ of the Mexican Constitutional government, *La Constitutionalista*, of Monterey, declared on July 18, last:

Since the usurper Huerta desired that his resignation should be interpreted as an evidence of an understanding between himself and the Constitutionalists, General Carranza, who has on several occasions formulated his line of action in this particular, has confirmed his decision, as shown in the following telegram: "The retirement of Huerta from the power which he had usurped, and the substitution in command of a civilian, causes me to believe that the substitute will shortly initiate negotiations for the delivery of the remains of his authority. I consider that it would be useless to entertain any proposition short of unconditional surrender to the First Chief of the Constitutional army; otherwise the struggle will continue until we obtain by force of arms the complete triumph of our cause, which is that of justice and of the people, and which with certainty would be obtained in a short time by the advance from every side of our victorious forces."

This was closely followed by a telegram on July 21 from Isidro Favela, a high functionary of Carranza's government in Monterey, which affirms that, "All those who took an active part in the events which culminated in the assassination of President Madero will be treated as criminals," and it is further announced that the Constitutional government will make every possible effort to secure the extradition of General Huerta and General Blanquet, and all those who accompanied them.

The editor of *El Demócrata Fronterizo* ("The Frontier Democrat"), of Laredo, Texas, a man who emigrated from Mexico in 1883 and who has been carrying on the fight for agrarian reform and equitable taxation for over thirty years, a man who expresses equal disgust with the régimes of Diaz, Madero, and Huerta, and who looks forward without optimism to the ascendancy of Carranza, says:

If the archives of Coahuila were studied it would be found that the caciques, the two Carranzas (Venustiano and his brother Jesús) have paid

only the most insignificant taxes on their great estates, because neither caciques nor landholders have paid even the hundredth part of the taxes corresponding to their immense wealth. For many years we carried on a propaganda for reform that resulted in the overthrow in Coahuila of the Madéro family which had managed to monopolize all the best lands of the State, paying only an absurd amount of taxes, and which kept the people and the State in humiliating poverty. The landholders of Mexico are like the gardener's dog, who neither labors himself nor allows others to do so. . . . It is to be believed that the Madéros and the Carranzas, flinty-hearted caciques, devoted henchmen of General Diaz for a quarter of a century, devourers of the pueblos, absorbers of the people's lands, are the kind who will respond to the just demands of the Mexicans for an agrarian reform which shall snatch the arable land from the claws of one or two hundred monopolists, and place it at the service or at least within the reach of the actual laboring classes, who are hungry and thirsty for justice, and who have been pariahs in their own country for the space of four long centuries?

*El Correo del Bravo* (The Rio Grande Mail), of El Paso, Texas, on July 30 published a despatch affirming that Huerta, three days before leaving Mexico City, had deposited in a Paris bank the sum of three million pesos, which at the prevailing exchange rate would amount to \$960,000. Similar despatches were sent over the wires in this country by the Associated Press. *El Correo del Bravo* passes caustic criticism upon this provision for the future which the retiring dictator had so prudently made:

These three millions which the traitor and assassin carries away from the nation are not his; they belong to the poor wage-earner who exhausts his strength from the rising till the setting of the sun; they belong to the humble office-clerk who wears out his elbows on his desk, and whose outlook upon the world is circumscribed by the pile of books and papers before him; they belong to the farmer who scorches his head in the burning sun of the fields; they belong to the poor widows who weep inconsolably for loved ones to whom they give life only to have it destroyed in the wars.

It is a little curious to turn from this just condemnation of the misappropriation of

public funds by the enemy of the Constitutionalists to the advertisement, in *El Estado de Sonora*, the official organ of the State of that name, of titles to lands in the State Treasury, which are open for sale to the highest bidder. These are, for the most part, the properties of so-called "absentee owners," that is, of political refugees. Such lands have been confiscated, and to some extent they are operated by a department of the government created for that purpose. Many of these represent the best ranches in Sonora and Sinaloa, to which in numerous cases the titles were issued from fifty to one hundred years ago. Among these is the famous old

is taken over by the State for the reason that it does not appear that the title was ever issued. This touches one of the chief causes of the agrarian trouble in Mexico, the wresting from the ancient pueblos of the lands confirmed to them by special grant. In very few instances have these charters and titles survived the vicissitudes of time among a rude people utterly devoid of means for preserving documents. Thus they have fallen a prey to land-grabbers who have acquired enormous estates, absorbing both the lands and the people living upon them, reducing the inhabitants to a condition little better than vassalage.

The opponents of Carranza have been openly affirming that, because he himself is a rich landed proprietor, he has so far resisted the measures proposed for the preservation of the rights of the pueblos, and for the repartition of the large private estates among the working people. Meanwhile the adherents of Villa have

Still more curious, in an administration of been hailing him as the natural friend of the reform for the welfare of the masses, is the poor, but the government of Sonora has his item, occurring in this list of titles, of the active support, and it would be expected that Rancho de los Frijoles, in the municipality the principles of this man of the people would of Tecoripa, registered by the tribe or pueblo be reflected in its administration, especially of Tecoripa Indians in 1839. This property with reference to real estate.

## MEXICO'S LAND PROBLEM

**A**N entirely new view of the agrarian situation in Mexico is presented by André Tridon, in the New York *Evening Post*. It is a particularly vital one in the State of Chihuahua.

chief trouble in Mexico has arisen because so large a proportion of population was landless, and that the redistribution of farming population of 180,000, 85,000 are living on lands among the inhabitants would do more pueblos, and in both these states many must do more than anything else to cure the country of its nicipalities own land communistically.

than anything else to cure the country of its incapacity own land communally. Mr. Tridon does not deny that since the last years of the Diaz dictatorship the number of land-owners has been steadily decreasing, but the same phenomenon is observable

For example, it has been asserted that "the entire State of Chihuahua belongs to three families," but Mr. Tridon has learned that besides these "three families" there are 85,000 Indians tilling communistic land which is held in fee simply by 150 pueblos; also that there is in that state 7,000,000 acres of land belonging to the government from which squatters are not barred. The total population of the state is 400,000, of whom many thousands are miners and industrial laborers, for whom the ownership of land is in every other country. The process of concentration of land seems quite as logical as the process of concentration of industry, and according to Mr. Tridon, it is more indispensible in Mexican agriculture than in American industry. Only 10 per cent. of the land under cultivation in Mexico can be relied upon to bear a good average crop from year to year, since the rainfall is insufficient to provide the necessary moisture. In spite of its immense area and its rather small population, Mexico never produces as much food

as it needs. The total value of the land, farm buildings, and cattle is only \$125,000,- 000, or barely 5 per cent. of the total wealth.

Should the new Mexican government attempt to expropriate the owners of large haciendas in order to secure land for the Indians, a revolution could hardly be averted, even though the owners should be reimbursed for the loss of their holdings by paying them the full assessed value of their lands. Large properties in Mexico are not assessed at more than one-fifth of their actual value. Many haciendas are mortgaged to banks for three times their assessed value. During the past two years many land-owners threatened with foreclosure proceedings found it more convenient to declare them-

selves rebels and to arm their peons. One bank alone lost in that way 20,000,000 pesos.

This is Mr. Tridon's idea of a solution of Mexico's difficulties:

A rapid conquest of the country; garrisons in twenty important cities and towns; a financial supervision that would prevent the looting of the treasury; peace for thirty years,—this would probably save Mexico. European immigrants would bring their savings and their brawn; get-rich-quick men would be replaced by bona-fide promoters. Of course there would be a good deal of financial looting at the hands of the conquerors; at the same time Mexico's resources would be developed, and not only would the human waste be stopped, but the influx of new racial elements might within a short time leaven the inchoate and stolid Indian masses. And all the time the agrarian question could very well be ignored entirely.

## IF YOU WERE A CHINAMAN?

**A** NEW monthly edited by two Chinese men, *The Chinese Review*, has been started in London, to "counteract to some extent the attitude of bigotry and prejudice exhibited almost daily in the West against everything Chinese." One of the editors, Mr. J. Wong-Quincey, invites his English-speaking readers to put themselves in the place of the Chinese for a moment and consider, for example, matters like this:

In the year of grace 1912 the honorable and high-minded promoters of the Anglo-Japanese Exhibition decided to add a touch of Chinese color to the great display at Shepherd's Bush. A scheme was forthwith proposed, and widely advertised in the press, to install a typical opium den within the exhibition grounds, and attempts were made to hire Chinese sailors from the East End to play the part of opium sots and exhibit to the West, in realistic details, all the disgusting particulars associated with opium smoking.

Suppose the tables be turned. Imagine the promoters of a Chinese exhibition proposing to represent Great Britain by setting up the model of a low-class public house, and engaging Britishers to act the rôle of besotted drunkards. In place of the mild protest raised by the Chinese students Great Britain would probably have sent a fleet of warships to demand reparation for the national insult.

In the whole range of China's past and present, asks this Chinese editor, is there nothing worthy of notice and representation except an opium den?

One looks in vain in Western newspapers for reports of progress and of incidents illustrating the higher and better traits of Chinese character; but the ravages of a White Wolf or the details of a political murder are immediately boomed with an energy worthy of a better cause. And the dismal pessimist, ignoring all the wonderful prog-

ress made in China during the last fifty years in the face of untold difficulties, chants his funeral lay with a gusto and vehemence which tempt us to conclude that he must be paid to do it.

One of the articles in the June number, from the pen of the editor, discusses the attitude of the Chinese towards Christianity and the profound and organic difference in the modes of thought which characterize the East and the West. "The East limits its ideal to the attainment of the practical good; the West sets out to fathom the unfathomable":

In the China of more recent times the same vivid contrast is discernible. One looks in vain for a Thomas Carlyle or a William Wordsworth; nor can the ecstasies of the modern mystic find any affinity in Chinese thought. There is no unspeakable agony, no mortal strife between faith and unbelief; and it is highly doubtful whether such states of mind can be made so much as intelligible to the Eastern understanding.

The Chinese of to-day pursues his even course with equanimity as he has done for ages past, and is less perturbed by questions of faith and delicate casuistry than the Sage (Confucius) who had determined for him, irrevocably it may seem, his *summum bonum*. His needs are few and his ambitions attainable with ordinary effort. "To see God" and "to be persecuted falsely and yet rejoice" are beatitudes after which he entertains no aspiration. If he is literary he may hope for honor, for state employment and for power to rule. For the rest he is content to live in easy affluence without undue luxury or extravagance.

The lower classes are permeated with the same atmosphere of imperturbable contentment. In spite of economic pressure, of the many uncertainties of life in a frequently disorganized state, living is cheap and easy; and the Chinese peasant is no less remarkable for his simplicity of life as for his philosophical calm in adversity, and for the elasticity with which he recovers from disaster.

# HELPFUL BOOKS ON THE CRISIS IN EUROPE

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**The Memoirs of Francesco Crispi.** Edited by Thomas Palamenghi-Crispi. 3 vols. Doran. \$10.50.

The third volume,—particularly timely just now,—contains a history of the negotiations at the Congress of Berlin.

**The Borderland of Czar and Kaiser.** By Poultney Bigelow. Harper. \$2.

A stimulating and entertaining account of travels in eastern Europe along the Austro-Russian and Russo-German frontiers.

**Poland of To-Day and Yesterday.** By Nevin O. Winter. Boston: L. C. Page. 487 pp., ill. \$3.

A review of the history of the land and people, past and present, outlining the causes which resulted in the partition, and a survey of social, political, and economic conditions of to-day, with relation to the three partitioning powers, Germany, Russia, and Austria.

### TRIPLE ENTENTE

**Thirty Years: Anglo-French Reminiscences, 1876-1906.** By Sir Thomas Barclay. Houghton, Mifflin. \$3.50.

A stimulating account of the Entente Cordiale from within, by one of those who contributed largely to establish the now famous rapprochement between England and France.

**England and the Orleans Monarchy.** By Major John Hall. Dutton. \$4.

A piece of diplomatic history detailing the creation of Belgium as a neutral state by the Five Powers, and the establishment of the Entente Cordiale between France and England.

**Common Sense in Foreign Policy.** By Sir Harry Johnston. Dutton. \$1.25.

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### ENGLAND

**Impressions of British Life and Character.** By Meherban Narayanrao Babasaheb. Macmillan. 240 pp., ill. \$2.25.

The Hindu chief gives a series of sketches and impressions, from the standpoint of the traveler, of British life and character compared with people and habits of India.

**England Invaded.** By Edward Ford and Gordon Home. Macmillan. 371 pp., ill. \$2.

A serious and well-founded forecast of what

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**A History of England and Greater Britain.** By Arthur Lyon Cross. Macmillan. 1165 pp. \$2.50.

This excellent history of England from Roman days to the middle of the present year, and covering more than 1100 pages, appears very opportunely at the present time.

**The Day of the Saxon.** By General Homer Lea. Harper. 249 pp. \$1.80.

This is a brilliant analysis of the part played by Saxon civilization in the world's history and a tribute to its great achievements.

**The History of English Patriotism.** By Esme Wingfield-Stratford. Lane. 2 vols. 1286 pp. \$7.50.

A review of the great fervid moments of British history from the defeat of the Spanish Armada to the Battle of Trafalgar.

**The Britannic Question.** By Richard Jebb. Longmans, Green. 262 pp. 35 cents.

How to effect a closer and permanent union between the self-governing states of the British Empire is the text of Dr. Jebb's monograph.

**The Passing of Empire.** By H. Fielding-Hall. Macmillan. 307 pp. \$2.50.

This discussion of India and its relation to the British Empire is of particular significance now when sedition is rife in Hindooostan and the shadow of the Russian bear persists, despite the fact that Russia happens to be the ally of England in the present conflict.

**Social Forces in England and America.** By H. G. Wells. Harpers. 415 pp. \$2.

According to Mr. Wells himself this gives "a fairly complete view of all my opinions."

**When William Came.** By H. H. Munroe. Lane. 322 pp. \$1.25.

A vivid and appealing, although imaginative story of what would happen to England if the Germans conquered her and began to alter the processes of government to the Hohenzollern pattern.

### FRANCE

**How France Is Governed.** By Raymond Poincaré. McBride, Nast. 376 pp. \$2.25.

The President of the French Republic in this volume gives us discussions of elementary civics as applied to French political life, tracing the his-

tory of the administrative machinery of the French Government, national and local.

**France Under the Republic.** By Jean Charlemagne Bracq. Scribner. 376 pp. \$1.50.

An attempt to gauge the great political experience of France during the last four decades, and to make an inventory of the constructive and reformatory work of the Republic.

**Source Problems of the French Revolution.** By Fred Morrow Fling and Helen Dresser Fling. Harpers. 338 pp. \$1.10.

A summary of documentary and other evidence.

**France from Behind the Veil.** By Paul Vassili. Funk & Wagnalls. 396 pp., ill. \$3.75.

A chronicle of the social and political life of France for half a century beginning with the reign of Napoleon III and closing with the Paris of "the day before yesterday."

### GERMANY

**German Sea-Power.** By Archibald S. Hurd and Henry Castle. Scribner. \$3.25.

A book which may be said to ask the question "Will Anglo-Saxon or German civilization predominate in the world?" According to the authors, neither the United States nor Great Britain has thoroughly understood the causes for the present naval and economic growth of the German Empire, and in explanation they take the ground that Germany has a maritime history and possesses maritime instincts of which her naval development is an outcome.

**History of the German Struggle for Liberty.** By Poultny Bigelow. Harper. 4 vols. \$10.50.

An account of the heroic moral and spiritual, as well as physical warfare which the German people waged to obtain the degree of liberty that they now possess.

**Germany and the Germans from an American Point of View.** By Price Collier. Scribner. 602 pp. \$1.50.

One of the best discussions of the German people and their character and problems which has appeared in recent years. An unusually intimate knowledge fitted Mr. Collier for the task. A significant sentence at the end of the chapter on Frederick to Bismarck is "We shall have war when the German Kaiser touches a button and gives an order and the German people will have no more to say in the matter than you and I."

**Germany and the Next War.** By F. Bernhardi. Longmans, Green. \$3.

This is a candid expression of the German purpose to predominate and created a great sensation in Germany when published, going through many editions in a short time. General Bernhardi does not merely produce a book in praise of war; he deliberately advocates not only preparation for war, but also war itself. He writes from the standpoint of one who thinks that aspirations for peace threaten to poison the soil upon which the German people live.

**Germany of To-Day.** By Charles Tower. Holt. 256 pp. 50 cents.

A concise account written without any non-essentials.

**Germany and the German Emperor.** By G. H. Perris. Holt. 520 pp. \$3.

A useful summary of the characteristics and achievements of William of Germany.

**Men Around the Kaiser.** By Frederick W. Wile. Lippincott. 279 pp., ill. \$1.75.

A fascinating, illuminating picture of those earnest, efficient personalities in war, government, finance, industry, art, and diplomacy, who have made the German Empire what it is. Noticed at length in these pages some months ago.

**Imperial Germany.** By Prince Bernhard von Bülow. Dodd, Mead. 342 pp. \$3.

A story of the historical development of the German Empire, by the ex-Chancellor, with a discussion of how the Germans built a great naval power, why they have expanded colonially, and what Socialism means to them.

**The German Emperor and the Peace of the World.** By Alfred H. Fried. Doran. \$2.

A Nobel Prize essay of immediate timeliness.

**William of Germany.** By Stanley Shaw. Macmillan. 395 pp. \$2.50.

A sketch, by an Englishman, and for English readers, of the German Emperor.

**A Character Sketch of Germany.** Compiled and edited by M. Blakemore Evans and Elisabeth Merhaut. Heath. 237 pp., ill. \$1.

A picture of modern imperial Germany by means of a series of readings in German by eminent German authors.

**Germany.** By A. W. Holland. Macmillan. 312 pp., ill. \$2.

A new recounting of the story of Germany's nationhood, and how it came to be, from prehistoric times to the saber rattling of Zabern, written in clear, interesting style, is the volume "Germany," in The Making of the Nations series. This volume is by A. W. Holland, of Oxford, author of "Germany to the Present Day."

**Germany and Its Evolution in Modern Times.** By Henri Lichtenberger. Holt. 440 pp. \$2.50.

A book to be recommended unconditionally for its comprehensiveness, insight and impartiality.

**Monarchical Socialism in Germany.** By Elmer Roberts. Scribners. 200 pp., ill. \$1.25.

A succinct, workmanlike book on the efficient organization of the empire.

**Pan-Germanism.** By Roland G. Usher. Houghton, Mifflin. \$1.75.

Professor Usher, beginning with the great international movement, Pan-Germanism, considers the grounds for the existing jealousies between England and Germany, the relation of Russia, France, and Austria to the affair, the effects of the Balkan War upon the balance of power, and discussed with brilliance the relation of the United

States to these new conditions in European diplomacy.

#### AUSTRIA

**Austria: Her People and Their Home Lands.** By James Baker. Lane. 310 pp., ill. \$6.50.

An excellent informational description of the polyglot character of the Austrian Empire.

**Hungary: Its History and Revolutions.** Macmillan. \$1.

A serviceable history, with a memoir of Kossuth added.

**Austria of the Austrians and Hungary of the Hungarians.** By L. Kellner and others. Scribners. \$1.50.

Packed full of information well put.

**Hungary's Fight for National Existence.** By Baron Ladislas Hengelmüller von Hengervár. Macmillan. 342 pp. \$3.25.

A very illuminating presentation.

**The Hapsburg Monarchy.** By Henry Wickham Steed. Scribners. 304 pp. \$2.50.

An attempt to "dwell less upon the points of difference than upon the features and interests that are common to the peoples ruled by this famous house."

#### ITALY

**Italy of the Italians.** By H. Zimmern. Scribners. \$1.50.

A compact account of Italian characteristics and achievements.

**Cavour and the Making of Modern Italy.** By Pietro Orsi. Putnam. 385 pp., ill. \$1.50.

A sympathetic story of the career of the great Italian liberator and its significance.

**Italy's War for a Desert.** By Francis McCullagh. Chicago: F. G. Browne & Company. 410 pp., ill. \$2.75.

Brilliant and comprehensive, but decidedly pro-Turkish.

#### THE BALKANS

**The Servian People: Their Past Glory and Their Destiny.** By Prince Lazarovich-Hrebelianovich. Scribners. 2 vols. \$5.

A glowing statement of Serbia's ambitions.

**Hellas and the Balkan Wars.** By D. J. Cassavetti. Dodd, Mead. 368 pp., ill. \$3.

A study of Greek history during the past half century, particularly in its relation to the wars with Turkey and Bulgaria.

**Czar Ferdinand and His People.** By John MacDonald. Stokes. \$4.

A careful, judicial study of the personality of the Czar of Bulgaria, with a brief history of the Bulgarian people, and much that is useful about the Bulgarian army.

**The Balkans.** By William M. Sloan. Eaton & Mains. 322 pp. \$1.50.

An exhaustive treatment of the causes, progress and results of the late wars with the Balkans.

**The Balkan Peninsula.** By Lionel M. Lyde. Macmillan. \$1.40

A useful compendium of maps.

#### RUSSIA

**Behind the Veil at the Russian Court.** By Count Paul Vassili. Lane. 408 pp., ill. \$4.50.

Intimate revelations of the social, political, and family life of the Russian royal family and their retinue.

**Russia and the Russians.** By H. W. Williams. Scribner. \$1.50.

An account of the political ascendancy and situation, and of the leading figures in Russian politics, as well as of the country's social and economic relations.

**History of Russia.** By Vasilii Osipovich Kluchevsky. Dutton. 3 vols. \$2.50.

Not a simple narrative of political or international happenings, but a remarkable study of Russian social, economic and international history based upon years of personal research in the available historical sources of the subject.

**Changing Russia.** By Stephen Graham. Lane. 309 pp., ill. \$2.50.

By a widely known traveler and scientific observer well acquainted with Russia.

**Economic History of Russia.** By James Mavor. Dutton. 2 vols. \$10.

Russian history has been thoroughly rewritten within twenty years. It is a survey the importance of which can scarcely be overestimated.

#### WAR

**War.** By W. Douglas Newton. Dodd, Mead. 236 pp. \$1.20.

"Sensational and disgusting, because it is an account of the sensational and disgusting thing called war." There is an introduction by Rudyard Kipling.

**The Passing of War.** By William Leighton Grane. Macmillan. 302 pp. \$1.

In this volume, which Mr. Grane calls "a study in things which make for peace," the text is given in a sentence of the late King Edward VII, of Great Britain: "I am convinced that as civilization advances, the influence of Christian teaching will tend increasingly to inculcate the love of peace."

**War and Waste.** By David Starr Jordan. Doubleday, Page. 296 pp. \$1.25.

Dr. Jordan is one of the best known and most courageous advocates of disarmament and general peace. He has for years been devoting his energies and time to convincing the world that war does not pay. This is a graphic and keen presentation of the economic loss occasioned by war.

**The Human Slaughter House.** By Wilhelm Lamszus. Stokes. 115 pp. 50 cents.

An extraordinarily keen analysis of the atrocities

of war. All the deceptive glamor is stripped from battle and its horrors laid bare with shuddering, yet fascinating, strokes.

**The Balkan Wars 1912-1913.** By Jacob Gould Schurman. Princeton University Press. 140 pp. \$1.

A compact history, illuminatingly written, of the two Balkan Wars of 1912-13, has been given by Dr. Jacob Gould Schurman, president of Cornell University. This little volume is one of "The Stafford Little Lectures."

**Our Navy.** By Archibald Hurd. Warne. 270 pp. 50 cents.

An up-to-date, comprehensive history of the British navy, with figures and statistics particularly with regard to its development during the past twenty years.

**The Crimson Fist.** By O. H. Nelson. Boston: Badger; 208 pp. \$1.25.

A brilliant indictment of war. The author "convicts" the home, the school, the church, the press, and government of molding the character of the individual "to a spirit of aggressive patriotism, and thus to love for war."

**Arms and Industry.** By Norman Angell. Putnam. 248 pp. \$1.25.

This companion volume to Mr. Angell's now famous book, "The Great Illusion," concerns itself chiefly with the relations and interrelations between modern states. While it treats chiefly of the moral and material factors of international politics, it also discusses credit, military force, and diplomacy.

**The World Set Free.** By H. G. Wells. Denton. 229 pp. \$1.35.

An elaboration of Mr. Wells's creed which has for its goal the end of war and the realization of a real parliament of the world. It crackles with Mr. Wells's best style.

**The Wine Press.** By Alfred Noyes. Stokes. 49 pp. 60 cents.

A powerful argument in verse against war, with an epilogue that loftily visions the dawn of peace.

### THE TRADE OF THE WORLD

**The Trade of the World.** By James Davenport Whelpley. Century. 436 pp., ill. \$2.

A comprehensive and stimulating account of the forces and facts that make up the activities of the great trading nations.

### INTERNATIONAL LAW

**A History of Diplomacy in the International Development of Europe.** By David Jayne Hill. Longmans, Green. Vol. III. 706 pp. \$6.

While not treating directly of the present conflict, or the causes that led up to it, Dr. Hill analyzes the forces that have guided the destinies of Europe for nearly two centuries.

**The Essentials of International Public Law.** By Amos S. Hershey. Macmillan. \$3.

In the preface Dr. Hershey states that "the

work aims to furnish the teacher and student with an up-to-date text adapted to the needs of the classroom, and also to present the specialist as well as the general public with a scientific treatment of the subject."

### THE AIR AS A BATTLEFIELD

**Airships in Peace and War.** By R. P. Hearne. Lane. \$3.50.

The new edition of this standard work on the theoretical influence of aeronautics on war.

**The Airman.** By C. Mellor. Lane. 123 pp., ill. \$1.

**The Law of the Air.** By Harold D. Hazeltine. Doran.

### POLITICS AND HISTORY

**Socialism and Democracy in Europe.** By Samuel P. Orth. Holt. 350 pp. \$1.35.

A very brilliant and stimulating account of the progress of Socialism and social democracy throughout the continent.

**Social Progress in Contemporary Europe.** By Frederic Austin Ogg. Macmillan. 384 pp. \$1.50.

An exhaustive and well-balanced account of the social advance of European peoples for a century.

**The Problem of Empire Government.** By C. E. T. Stuart-Linton. Longmans, Green. \$1.25.

This contains several chapters on imperial defense, written nearly two years ago, prophesying the turbulent status of European governments now observed.

**The Influence of Monarchs.** By Frederick A. Woods. Macmillan. 422 pp. \$2.

"Only very rarely has a nation progressed in its political and economic aspects save under leadership of a strong sovereign." This is the text of the author.

**Le Problème Mondial.** By Albert Torres. Rio de Janeiro: National Library. 212 pp.

A study of the motives that guide nations in their relations one with the other, an especially interesting chapter being that on the Monroe Doctrine, by this Brazilian writer.

**Travel and Politics in Armenia.** By Noel Buxton and the Rev. Harold Buxton. Macmillan. 274 pp., ill. \$1.50.

An account of the extensive experiences of a traveler among that strange people, the Armenians, who, because of mutual jealousies of the Great Powers, may be one of the focuses of the later portion of the present European war.

**Problems of Power.** By William Morton Fullerton. Scribners. 323 pp. \$2.25.

A survey of the relations of the Great Powers of the world and an analysis of the national situation during the past quarter of a century, from the standpoint of conscious national aims and political cross currents.

**History of Our Times.** By G. P. Gooch. Holt. 256 pp. 50 cents.  
 An excellent summary of the history of Europe for the past quarter of a century.

**FICTION**

**The Iron Year.** By Walter Bloem. Lane. \$1.25.  
 A novel which recently created a great sensation in Germany, where it was read aloud by the Kaiser to the members of the royal family.

**Red Wrath.** By John Oxenham. Lane. 416 pp. \$1.25.  
 A story of the Franco-Prussian war dealing with many places now again the scene of war.

**Children of Alsace.** By René Bazin. Lane. 262 pp. \$1.30.  
 This book shows the deep feeling of loyalty to France opposed to German rule in the conquered district.

**Frontiers of the Heart.** By Victor Margueritte. Stokes. 345 pp. \$1.25.  
 A graphic story of Alsace, of a Frenchwoman who married a German.

**The Last Shot.** By Frederick Palmer. Scribner. 517 pp. \$1.35.  
 A work of fiction written by an eye-witness of all the important battles of the last twenty years, in a number of which Mr. Palmer took part. A drama rather than a novel.

## SOME NOTEWORTHY BOOKS OF THE MONTH

### NEW WORKS ON SOCIAL SCIENCE

A CENTURY has made so many changes in the external conditions of civilized life that economists have invented the term Great Industry to describe their phase of the change. Sociologists are going to call the whole result the Great Society,—at least, such is the opinion of Graham Wallas, author of "Human Nature in Politics," who has just completed a book entitled "The Great Society: A Psychological Analysis."<sup>1</sup> Mr. Wallas has divided his work into two parts treating of all the points of contact of modern man with modern environment. According to the author's preface, the book was written "with the practical purpose of bringing the knowledge which has been accumulated by psychologists into touch with the actual problems of present civilized life."

A well-written contribution to the analysis of several of the most pressing economic problems of our day is Professor Scott Nearing's little book on "Reducing the Cost of Living."<sup>2</sup> In this work Professor Nearing discusses the changing form of American life, the increasing demand for services, the increasing use of comforts and luxuries, and the ascending scale of "necessaries" of life. About one-third of the book is devoted to remedial measures, including social education, increasing the efficiency of food distribution, conservation, increasing the efficiency of labor, reduction and elimination of monopoly profits, and readjusted taxation. All the author's conclusions are based upon facts and are clearly and tersely put.

In the series of "Social Science Text-Books," edited by Professor Richard T. Ely, we have a volume on "Problems of Child Welfare,"<sup>3</sup> by Dr.

George B. Mangold, director of the School of Social Economy of Washington University. This volume gives an excellent exposition of the modern attempt to adjust the principles of constructive philanthropy to the needs of the child. Each separate problem is analyzed with reference to causes and conditions, to the existing social machinery for coping with the problem, and to a plan and program of improvement or prevention. The subject is treated under the main headings of "Conservation of Life," "Health and Physique," "Training and Education," "Child Labor," "Juvenile Delinquency," and "Problems of Dependent Children," while in a concluding chapter several lines of fruitful investigation are suggested.

"Juvenile Courts and Probation"<sup>4</sup> is a sort of manual of the organization and administration of juvenile courts in this country. It is intended as a guide to judges, probation officers, and interested laymen. The authors admit that while in its treatment of the child the juvenile court has fully justified itself, it has almost wholly failed in its treatment of the adults responsible for the child's condition. Instead of placing emphasis on the child in court, the future practise will be to place greater emphasis on the family in court. In short, in the opinions of the authors, the court will in the future undertake to deal more effectively with the family which produces the neglected or delinquent child. As a foundation, however, for the broadening of the juvenile court as we know it to-day, the information gathered by Messrs. Flexner and Baldwin is indispensable. It has the endorsement of a special committee of the National Probation Association, and has been written after wide consultation with men and women in the practical daily work of the juvenile court all over the United States.

<sup>1</sup> The Great Society: A Psychological Analysis. By Graham Wallas. Macmillan. 388 pp. \$2.

<sup>2</sup> Reducing the Cost of Living. By Scott Nearing. Philadelphia: George A. Jacobs & Company. 343 pp. \$1.25.

<sup>3</sup> Problems of Child Welfare. By George B. Mangold. Macmillan. 522 pp. \$2.

<sup>4</sup> Juvenile Courts and Probation. By Bernard Flexner and Roger N. Baldwin. Century. 308 pp., ill. \$1.25.



IMMANUEL KANT—FROM AN OLD PRINT

### An Illuminating Biography

**R**EADERS of modern works on the philosophy of history have very highly appraised Houston Stewart Chamberlain's "Foundations of the Nineteenth Century," the English translation of which was noticed a year or so ago in these pages. Mr. Chamberlain, in addition to being a scholar of rare penetration and industry, is a writer of splendid, illuminating prose. It will be remembered that he has the distinction of being one of the very few Englishmen who write well in German. "The Foundations of the Nineteenth Century" (*Die Grundlagen des Neunzehnten Jahrhunderts*) was a masterpiece of historical writing, and its rendering into English, as we noted at the time, was a distinct achievement. Mr. Chamberlain's second masterpiece, "A Study of Kant,"<sup>1</sup> has just been brought out in two volumes, in the authorized translation of Lord Redesdale, G. C. V. O. and K. C. B. This is a study of the famous German philosopher and a comparison with Goethe, Da Vinci, Bruno, Plato, and Descartes. In his introduction Lord Redesdale declares that the translation has been made with the approval and after the minutest examination of Mr. Chamberlain himself. The work, the author tells us, is not an exhaustive treatment on Kant's philosophy; it is rather an introduction to the man himself. "He wishes to make us know Kant, and, knowing him, to love him as he loves him." Perhaps, says Mr. Chamberlain, "the sun in heaven never shone upon a stranger being than the Scottish-German Königsberg professor." Kant's scholarship and enormous brain power, his engaging personality, these are presented to us in a way to make us understand and love the subject. This "small,

wizened man, hardly above a dwarf in stature, with sharp, inquisitive features, and an eye that penetrates your very soul and seems to flood the whole room with light," was one of the great men of all human history. His work, says Mr. Chamberlain in the introduction, was perhaps "the keenest dissection of the human intellect and of its relation to surrounding nature" that the world has ever known. These two volumes are illustrated with portraits.

### Western Learning for Japan

THE accompanying facsimile page, slightly reduced from a book printed and published in Japan, is of considerable interest as typical of a movement on foot in that country to bring before the masses the results of Western knowledge by translations of technical and other works of unusual merit and universal breadth of application. The page is taken from the Japanese translation of an American work on "Power," written by Professor Charles E. Lucke, of the Department of Mechanical Engineering of Columbia University. It is one of a series published by a Japanese association, organized in Tokio in 1908, having the name of Dai Nippon Bummei Kyoknai, whose object is "to introduce healthy Western ideas for the benefit of the general public in Japan who are not able to study Western authors in the original." Since its foundation it has undertaken the work of translating into Japanese standard works in every branch of knowledge, and the books when published are distributed to the members at cost and are not offered for sale to the general public. Dr. Lucke's book on power traces the development of industrial progress and the transition from the old agricultural to the present industrial organization of society which

has been brought about through the invention of such agencies as the steam engine and the spinning frame. In this work the changes in society from mere trading and political activity to a new condition incident to the application of power for manufacturing, transportation, and other industrial purposes were shown in their relation to the progress of civilization and the startling changes wrought in economic conditions presented. Typographically the volume is of interest as following in the main the English of the work, but it must be read from the back to the first pages and is numbered reversely.

POWER  
BY  
CHARLES E. LUCKE



<sup>1</sup> Immanuel Kant. By Houston Stewart Chamberlain. Translated by Lord Redesdale. 2 vols. Lane. 954 pp., ill. \$7.50.

## HISTORY AND DESCRIPTION

A NEW history of the United States, concise, yet comprehensive and authoritative, from the earliest times down to the refusal of President Wilson to recognize General Huerta, with many illustrations, maps, and charts, is Mr. Matthew Page Andrews's "History of the United States."<sup>1</sup> Mr. Andrews has been an instructor in a number of high schools in quite a number of different States of the Union.

A very painstaking history of the Zionist movement, by Professor Richard J. H. Gottheil, of the Chair of the Semitic Languages of Columbia University, and formerly President of the Federation of American Zionists, has been brought out by the Jewish Publication Society.<sup>2</sup>

A series of "Historical Papers Upon Men and Events of Rare Interest in the Napoleonic Epoch,"<sup>3</sup> has been brought out in two volumes by Joseph Hepburn Parsons. It consists of pen pictures of the more human, personal side of the great events of that period. There are many illustrations.

A new edition, with some fine pictures, many of them in color, of Macaulay's famous "History of England"<sup>4</sup> is brought out in six volumes, edited by Charles Harding Firth, Regius Professor of Modern History in the University of Oxford. The type and illustrations are particularly good.

A very stimulating volume under the suggestive title of "Forces Mining and Undermining China,"<sup>5</sup> showing the most intimate knowledge of Chinese

thought and habits, is Rowland R. Gibson's new work. Mr. Gibson was formerly Chinese Inspector under the Transvaal government, and lived in the Celestial Empire many years. He says that the Chinese man and the Chinese national soul is going to be rejuvenated, not through politics, or government, or naval power, but "through a commercial and industrial sunrise."

Some months ago the newspapers were printing reported utterances of the President of Argentina, Dr. Roque Saenz Peña, with regard to the Monroe Doctrine. Dr. Peña,—who died last month,—was made to attack the famous statement of American policy and to contend that South America not only need not, but should not, render it any future respect. The official text of what the Argentine President actually said is contained in a collection of patriotic addresses which have now been published in book form in Buenos Aires, edited by a friend of the President. This volume is entitled, "Escritos y Discursos,"<sup>6</sup> and a chapter which excited so much discussion has this title: "*Los Estados Unidos en Sud-América: La Doctrina de Monroe y su Evolución*" (The United States in South America: The Monroe Doctrine and Its Evolution).

A plea for a "further and thoughtful consideration" of the Monroe Doctrine is trenchantly made by Charles Francis Adams in a new little volume, which consists of a paper read before the American Society of International Law, at Washington, in April last.<sup>7</sup>

## NEW WORKS OF REFERENCE AND NEW EDITIONS

NEW issues of series of standard volumes, preceding numbers of which have been noticed from time to time in these pages, include eleven of the Everyman's Library: "Essays in the Study of Folk-Songs," by the Countess Evelyn Martinengo-Cesaresco; "The Letters from Dorothy Osborne to Sir William Temple," edited by Edward A. Parry; "Anthology of English Prose," edited by S. L. Edwards; "The New Golden Treasury: An Anthology of Songs and Lyrics," edited by Ernest Rhys; "The Grettir Saga," translated by G. Ainslie Hight; "Bjornson's Plays: The Editor; The Bankrupt; The King," translated by R. Farquharson Sharp; "Hebbel's Plays: Gyges and His Ring; Herod and Mariamne; Maria Magdalena," translated by Dr. L. H. Allen; "The Muses' Pageant: Myths and Legends of Ancient Greece," retold by W. M. L. Hutchinson; "Eric and Enid," by Chrétien de Troyes, translated by William Wister Comfort; "The Two Boyhoods and Other Pages and Passages," by John Ruskin; and "Asgard and the Norse Heroes," translated by Katherine F. Boult. Five of the Home University Library: "Sex," by Patrick Geddes and J. Arthur

Thompson; "The Growth of Europe," by G. A. P. Cole; "Chaucer and His Times," by Grace E. Hadow; "William Morris: His Work and Influence," by A. Clutton-Brock; and "The Wars Between England and America," by Theodore Clarke Smyth. Three of the Loeb Classical Library: "Suetonius," Vol. II, translated by J. C. Rolfe; "Cicero," translated by H. Rackham; and "Xenophon Cyropaedia," Vol. I, translated by Walter Miller.

New and standard books of reference of particular note include the following: "Black's Medical Dictionary," by John D. Comrie (Macmillan); "Diseases of Infancy and Childhood," by Louis Fischer (Philadelphia: F. A. Davis Company); "A Grammar of the Greek New Testament in the Light of Historical Research," by A. T. Robinson (Doran); "English Synonyms, Antonyms, and Prepositions," by James C. Fernald (Funk & Wagnalls); "The Call of the Stars," by John R. Kippax (Putnam); and "The Kitchen Garden and the Cook," by Cecilia Maria Pearse (Dutton).

<sup>1</sup> History of the United States. By Matthew Page Andrews. Lippincott. 426 pp., ill.

<sup>2</sup> Zionism. By Richard J. H. Gottheil. Jewish Publication Society of America. 258 pp., ill.

<sup>3</sup> Historical Papers Upon Men and Events of Rare Interest in the Napoleonic Epoch. 2 Vols. By Joseph Hepburn Parsons. Akron, Ohio: The Saalfield Publishing Company. 848 pp., ill. \$5.

<sup>4</sup> Macaulay's History of England. Vol. III. Edited by Charles Harding Firth. Macmillan. 491 pp., ill. \$3.25.

<sup>5</sup> Forces Mining and Undermining China. By Rowland R. Gibson. Century. 302 pp. \$2.

<sup>6</sup> Escritos y Discursos. By Roque Saenz Peña. Buenos Aires: Casa Jacobo Peuser. 476 pp.

<sup>7</sup> The Monroe Doctrine. By Charles Francis Adams. Houghton, Mifflin. 53 pp. 50 cents.

## FINANCIAL NEWS FOR THE INVESTOR

**O**WNERS of sound securities have no occasion to be alarmed at the financial and business disturbances which a general European war has precipitated in this country. Many new projects will be abandoned or halted from lack of European capital, but bonds of American municipalities or mortgage bonds of seasoned American corporations will, with few exceptions, suffer no loss of intrinsic value because they rest upon the earning power of basic industries.

Offhand deductions and calculations from the effects of former wars are almost valueless because there has never been a conflict between more than two great powers since the recently existing international credit system was started. The worst declines in stock and bond prices during our own Civil War and nearly all the great European contests took place at the very start, and there are not lacking reasons to believe that this precedent may be repeated. But in 1870 the ratio of stocks and bonds in the civilized world to legal-tender money was perhaps seven to one, and in 1860 it was even less, as compared with about twenty to one at the present time.

In all modern disturbances men have tried to convert stocks and bonds into ready cash, to restrict their business to an occasional although securities really represent permanent, rather than liquid, investment, and are acquired over long periods of years. Obviously there is not enough money in the world to-day to pay off all the bonds and stocks at once. Thus it became necessary early in

August to close the world's stock exchanges, even that of New York, for all of them would have gone to pieces under the strain. Previous recent European wars furnished no parallel because they had been localized. With practically the whole continent ablaze, what was more natural than a mad scramble on the part of both investors and speculators abroad to exchange into ready money as large a part as possible of their \$6,000,000 of American securities. Until it closed on Friday, July 31, the New York Stock Exchange was the only existing market where this could be done.

Closing the Stock Exchange for a considerable period robbed the news reports of sensational financial features calculated to frighten bank depositors. This fortunate re-

sult was not offset later when a few private cash transactions at concealed prices were allowed to relieve pressing necessities. Thus were avoided runs upon banks and the foolish hoarding of money. Banks promptly adopted measures enabling them to supply every legitimate need for currency. An immense issue of emergency currency, which is furnished to customers, and clearing-house certificates, which are used to settle payments among banks themselves, were both provided, thus preventing the hoarding of gold. As long as gold stays in the banks and is not hoarded, the banks are able to maintain the intricate credit structure and keep business going. A further beneficial effect of closing the Stock Exchange was to keep banks from calling loans secured by stocks and bonds, the prices of which were sinking so rapidly.

Shortly after the Stock Exchange suspended it was decided by leading bond and investment banking firms to restrict their business to a minimum; weekly auction sales of securities in New York, Boston and Philadelphia were stopped, the New York curb market came to a halt, and New York's three

leading dealers in unlisted securities decided to convert stocks and bonds into ready cash, to restrict their business to an occasional transaction which might be for the benefit of the situation, provided it be in no sense speculative and conducted wholly in private. As long as these embargoes last it will be both difficult and unwise either to buy or sell securities.

But temporary inability to buy and sell does not affect intrinsic values except where there is a direct connection with Europe's advanced and municipal bonds have held firm. Even in the last two or three terrible days before the Stock Exchange closed New York City bonds, practically the only municipalities which are listed thereon, did not fall to any extent. Bonds of American towns and cities are not owned abroad on any large scale and the fact that they are not listed prevented any great onslaught. Short-term notes of New York City, almost entirely owned in Europe, were naturally in a different situation. Moreover, bonds of municipalities are available as security for emergency bank notes, and are exempt under the Federal In-

come Tax, which may conceivably be increased if customs receipts are seriously curtailed.

Bonds of strong and well-managed steam railroads will not lose value, because the railroads must continue to carry the great crops and attend to the daily needs of a peaceful nation. Shutting down of mines and factories whose products normally go to Europe may cut into railroad revenues here and there, as well as into the revenues of companies supplying power, gas, and electricity. But railroads between Buffalo, Pittsburgh, and the Mississippi River have just received a small increase in freight rates, and the country daily learns to use more light and power for its ordinary domestic uses. First mortgages upon real estate, or bonds based upon them, need not suffer, for these securities are not dealt in upon any exchange, and their quoted prices fall only when the property itself loses value. It has often been said in favor of active, listed bonds that they could be sold on any of the world's stock exchanges, but the breakdown of these exchanges for the time being indicates that perhaps the individual investor is in fully as secure a position if he owns well-selected mortgages or unlisted bonds.

It must be recalled that vast amounts of high-grade mortgages, and obligations of States, cities, towns, railroads, and public utilities are owned by savings banks, insurance companies, colleges, and charitable foundations. These institutions are indeed

far and away the largest investors. They are under no compulsion to sell at this time; in fact, have no occasion to liquidate. They buy and hold for income, not to make a speculative profit. As long as these institutions endure, high-grade investment securities cannot be wholly slaughtered.

This article is written at a time when no man can say how long the embargo upon security markets will last. There is the general feeling that normal conditions can again be restored when sea channels are made safe by the British or other navies. At the moment it is hard to buy or sell securities except at a grave sacrifice, but conservative bankers are urging their customers to use this opportunity of informing themselves as to intrinsic values with the idea of selecting satisfactory investments when dealings can be resumed in an orderly manner. For it is not impossible that high-class securities can then be obtained at most favorable prices. Indeed, if Europe is prostrated by war this country will have no easy task in taking up the securities that are almost certain to be either dumped upon us at once or slowly transferred to us. Capital will be scarce, interest rates are fairly sure to rise, and many new enterprises will suffer. One consolation is that America will at least pay off its debts at a discount, and the thrifty individual who has been prudent enough to save is almost certain to have most attractive opportunities to buy old and established securities at comparatively low prices.

## TYPICAL INQUIRIES AND ANSWERS

### No. 574. A MIDDLE WESTERN BUSINESS MAN'S INTEREST IN NEW HAVEN AND NEW YORK CENTRAL

It has been my pleasure in the past to exchange a few letters with you on the subject of finance, and I have appreciated your advice. Incidentally, I might say that I have told many friends of mine the experience I have had with your department, which has led me to believe that you have the best equipped department of that nature in the country. I feel that I would not be guided by any other person's as much as I would by your advice. What I want to ask now is what you think of the condition of the New York, New Haven & Hartford Railway stock. I purchased this stock when the price was about 120 or thereabouts. What do you think its future is going to be? Do you think I should keep what I have, or do you think it would be advisable to purchase more at its present price? I would like also to ask what you think of New York Central. About the same conditions confront me in this instance as in the one preceding.

First, in regard to New Haven. We think a great deal is going to depend upon your own personal attitude towards this investment. We have all along taken the position that the destinies of this magnificent property can be worked out in time to the satisfaction of everybody concerned. But at best it is going to take a great deal of

patience on the part of the stockholders to see the thing through to its conclusion; and it is going to mean, of course, a much further sacrifice of income before the lost investment prestige of the stock is completely restored. Until recently the owners of the property,—the stockholders,—were confronted with a dissolution suit instituted by the Federal Department of Justice, and this was regarded as containing a great many possibilities of unsettlement. However, the skies in this direction have cleared. The New Haven directors have finally agreed with the Government authorities to a settlement of their differences out of court, some important concessions apparently having been made on both sides in a spirit of fairness towards all investors in New Haven securities.

In regard to New York Central, the situation also contains a great many elements of uncertainty. The dividend position of this stock, as we have pointed out on several occasions lately, has not been a strong one for some time past, and there has been the disposition to look upon the action of the stock in the market as discounting the possibility of a reduction in the rate. On the unfavorable side of the dividend question is the

fact that the New York Central gets less advantage out of the Interstate Commerce Commission's advance rate decision than it had been hoped it might. As you may know, roads in trunk line territory,—and the Central is one of the most important of these,—were denied permission to advance their class rates at all. So that the only benefit which the Central gets is in respect to that part of its traffic which lies in the so-called "Central Freight Association" territory, roughly, west of a line drawn north and south through Pittsburgh and Buffalo. On the favorable side is the apparently satisfactory progress which the Central is making with its plan for consolidation with the Lake Shore & Michigan Southern. The minority stockholders of the Lake Shore are still fighting this plan, but one by one the company seems to be overcoming the obstacles in the way of carrying it out. Consolidation will, in the opinion of railroad authorities, mean many economies in operation, and will undoubtedly help the position of New York Central stock.

These are some of the more important considerations for you to weigh one against the other in the process of determining upon what course of action to take in connection with these two stocks. We think, if we were in your place, that in any event we should be inclined to defer action until some of the problems that are now confronting the securities market as a whole are settled and out of the way.

#### No. 575. HIGH-GRADE RAILROAD BONDS AND "WAR MARKET" PRICES

Not being able here to get bond and stock quotations, and desiring to invest a few thousand dollars while prices are low in consequence of the European war, I would like to have you quote Atlantic Coast Line, Seaboard Air Line and Baltimore & Ohio bonds and state whether you consider them good investments under present conditions.

Each of these railroads has outstanding several issues of bonds varying a good deal in underlying investment merit, so that it would have helped us considerably had you stated specifically the names of the bonds in which you are interested. Under the circumstances we consider it advisable to confine our comment to the underlying bonds in each case. Those of the Coast Line and Baltimore & Ohio are unquestionably gilt-edged, conservative investments. Atlantic Coast Line first mortgage 4's, due in 1952, interest payable March and September, at their last sale on the New York Stock Exchange established the price of 93 at which they yield about 4.35 per cent. Baltimore & Ohio prior lien 3½'s, due in 1925, interest payable January and July, last sold at 89½, at which price they yield about 4.70 per cent. The gold 4's of the same road, also high-grade investments, last sold at 92½, at which price they yield about 4.45 per cent. They are due in 1948 and interest is payable April and October. The underlying bonds of the Seaboard Air Line are not securities of quite such high merit as the foregoing. They are safe bonds, however, and are regarded as offering some very good chances of growing substantially in value as time goes on. The first mortgage 4 per cent. bonds of the Seaboard, due in 1950, interest payable April and October, last sold at 85, at which price they yield about 4.90 per cent.

It is well to mention that as this is being written business in securities of all kinds that are listed on the New York Stock Exchange is practically at a standstill. The reason for this is that it became necessary to suspend business on the Exchange in order to prevent the utter demoralization that would have been caused by the scramble of foreign investors to liquidate their holdings of American securities immediately following the outbreak of hostilities among the European nations. This country has since had time to put its financial house in order, and when the investment machinery is again put in motion, there is every reason to expect that it can be made to run smoothly, and that the legitimate demand that will have developed meanwhile can be properly taken care of.

#### No. 576. AN INVESTOR IN THE TROPICS INQUIRES ABOUT SECURITIES IN THE STATES

Being desirous of making some safe investments in the United States, I enclose a circular referring to a 7 per cent. preferred stock recommended to me by a friend. It appears to me that 7 per cent. is more than one is accustomed to expect in the United States on what would be described as an absolutely safe investment though it is less than the current rate here in the tropics. My object is to invest part of our savings—\$3000 to \$5000 a year—from time to time so that we shall be able to leave the tropics some day with a fund well invested in stocks, bonds and other safe securities. I wish to invest, not to speculate, and quick convertibility is not a first consideration. Will you kindly let me have your opinion.

While we believe the stock about which you make specific inquiry can be regarded as a reasonably attractive investment of its kind, it appears to us, also, to involve a good many elements of business risk which ought to be thoroughly understood by everyone going into it, and especially by anyone situated at such a distance as you are, where you could not with facility keep in touch with developments in the company's affairs. The 7 per cent. rate of income offered by this stock is, indeed, as you seem to appreciate, a higher average rate than it is possible to obtain in this country on the safest kinds of investment. It is not, however, at all an unusual rate to be obtained on industrial stocks, carrying with them, as we have suggested, a certain amount of business risk in every instance. We should by no means consider it good investment practise for you to put all of your available funds into the shares in question, or, indeed, into the type of securities which they represent. It is frequently a sensible, business-like procedure, however, to invest a part of one's funds in such securities with the idea of bringing the average rate of income up to a higher point than it could be brought if all the investments were confined to securities of admittedly conservative character. You will find it to your advantage to diversify your investments widely as they are made from time to time.

By way of illustrating the range of choice which you would have, we might indicate roughly the rates of income to be obtained now on a few of the standard types of investment, as follows: real estate and farm mortgages, 6 to 7 per cent.; high-grade railroad bonds, 4½ to 5 per cent.; municipal bonds, 4¼ to 5 per cent.; public service corporation bonds, 5 to 6 per cent.; industrial bonds, 4¾ to 5½ per cent.